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THE AMERICAN EXPERIMENT

The
AMERICAN EXPERIMENT

A STUDY
OF
BOURGEOIS CIVILIZATION

by

M. J. BONN

*Formerly Professor of Economics at the Handels-
Hochschule, Berlin*

TRANSLATED BY
MABEL BRAILSFORD

LONDON
GEORGE ALLEN & UNWIN LTD
MUSEUM STREET

*The German original, "Die Kultur der Vereinigten Staaten von Amerika,"
was first published in Berlin in 1930*

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**TO
TH. H. B.
MY COMPANION
ON THE LONG TRAIL**

P R E F A C E

Once again the whole world is watching with more or less sceptical sympathies the outcome of an American experiment, which, if successful, may well be called "great." The bold combination of credit expansion and inflation talk with the more or less coercive adoption of collective bargaining, universally imposed trade-unionism, minimum wages, reduction of hours, price-fixing, and compulsory restriction of output is very impressive, especially as it was staged with marvellous skill. Its distinctive American features are not the measures themselves, most of which are well known to rather conservative countries, but the methods by which they are applied: the complete disregard of established traditions, the sudden change of fronts, the utter unconcern over more remote consequences, the mixing of contradictory economics, which might almost be described as the encroachment of the cocktail habit on social legislation.

It is the most gigantic "Sunshine campaign" the U.S.A. have ever entered upon. It differs in size and in technique from its many predecessors; but it is the logical outcome of that passion for "social engineering" which has always animated the people of the United States. It is the latest, not the last of America's many social experiments—some of them like the "noble experiment" of prohibition are just now rather under a cloud. Whatever its outcome may be—and even the sceptics must pray for its success—experimentation in the U.S.A. will go on. Since the landing of the Pilgrim Fathers American development has been an adventure; it will never cease being an experiment. I have tried to outline some of the forces responsible for this spirit of enterprise and experiment.

M. J. BONN

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INTRODUCTION

The leading countries of the world have played a twofold part in history: they had to live their own lives, and to settle the problems confronting them as well as they could. But beyond this they had to fulfil another task: they had to act as leaders in the field of political and economic experiments; they became the exponents of fresh cultural ideas, the representatives of new social and political systems which later arrivals were willing to imitate.

Several times in their comparatively short history the United States have tried to play this part for the benefit of the rest of mankind. They gave the advocates of religious liberty their first great opportunity; they became somewhat later the almost classical prototype of political democracy; they developed by and by an economic régime, under which genuine social democracy was made possible in the sense that everybody willing to use it got a fair chance. Again in our own time they fervently sponsored a scheme of unbroken prosperity, which was to be accomplished through the leadership of America's trusted captains of industry, in close co-operation with a President who was considered the world's greatest social engineer. Now that prosperity, far from being permanent, has broken down after a few frenzied years, and ended in the worst economic depression the world has ever seen, the people of the United States have given up neither their creed nor their ways; they are merely changing technical methods. They have remained firm believers in economic rationalization and in social engineering. But instead of entrusting the business men, whom so far they have idolized as leaders, with the execution of the new tasks, they are turning to the political administrator, insisting on Government initiative and Government control, after playing a little with the calculations of engineers who advocated "Technocracy."

More than once the United States have led their followers

outside America into bogs and quagmires; they themselves have always survived the catastrophe. Though admiration for their ways may for the time being have turned into contempt, they have gone on in their endeavour to lead and to proselytize. For they never were content with a mere setting of the pace, letting others follow if they so desired. They were born teachers and propagandists. Their social fanaticism has sometimes changed its objects; its fervour has been the same, whether they have advocated abolition or prohibition, democracy or prosperity. The people of the United States may themselves not always have known whither they were going; they have ever been willing to act as leaders to the rest of the world, and to guide it from the land of bondage, where it suffered from political oppression, or from want of economic opportunity, or from the failure due to the breakdown of the capitalist price structure, into the land of freedom where milk and honey flow.

This craving for deliberate political and social planning innate in the people of the United States has enabled them to make full use of the opportunities for colonization which the North American continent offered them.

From the settlers' point of view North America was an empty country, very different from Mexico and Peru, where the Spaniards encountered complex native social structures. The invaders of Mexico and Peru were not inferior to the Pilgrim Fathers or the Virginia planters in will-power and in constructive colonizing genius. The monuments they raised prove this abundantly. On the North American continent there is neither a colonial church nor a royal governor's palace which could be considered even a weak replica of Nôtre Dame de Paris or of the Tower of London. But there are dozens of churches in Spanish America which remind one of the blue-tiled domes of Valencia, and there are palaces round which there hovers a faint breath of that beauty which envelops the Alhambra. The "Plaza de la Constitucion" in Mexico City, or the view across the undulating hills of Morelos from Cortes'

Palace in Cuernavaca, gives one a vivid impression of the strength which underlay the "Gran Conquista Ultramar."

It was not their superior artistic genius which enabled the Spaniards in a very short time to raise on American soil edifices worthy of old Spain, whilst the English of the Thirteen Colonies, and even the French in Canada, built but lowly wooden structures—Europe tells indeed quite a different tale; it was the presence of a numerous highly-skilled native race, inured to hard toil. It provided them, by some sort of feudal system, with the labour needed for the exploitation of land or mines, and for the construction of church and palace. The English settlers in the North country were seemingly far less fortunate. They had struck a land roamed over only by migratory native tribes which they had to fight most of the time, and which they could not successfully employ as drawers of water and hewers of wood. They had to build with their own hands their smallish villages, consisting of wooden houses and wooden churches encircled by a stockade, whilst the Spaniards made the natives raise castles, cities and cathedrals. The English had no native bondsmen to erect Pyramids; when they wanted coloured labour they had to import it through the slave trade. This absence of a servile native race made possible the foundation of a commonwealth of free farmers and free traders which ultimately became the cradle of modern democracy.¹

The founders of this free society sprang from the Puritan middle and lower class of England; they scarcely desired the reproduction of a hierarchy whose traditions meant little to them; they planned a free commonwealth, a veritable *civitas Dei*, the inspiration of which they drew from their passionate souls. They carried out their plans in the rationalistic business-like way of a race of born bourgeois, and founded a commonwealth very different indeed from the aristocratic settlements

¹ Indian slavery was tried in all the Colonies as well as in Canada, but it did not pay on account of the paucity of the Indians, their great mortality, and their "unfitness" for regular hard work. See Almon Wheeler Lauber, *Indian Slavery in Colonial Times*, 1913, pp. 96, 97, 283-319.

their more favoured countrymen had planted along the tidal waters of Virginia, South Carolina and Georgia, where, with the help of imported negro slaves, they tried to do what the Spaniards and Portuguese had done with native Indians.

If fate had decreed it otherwise, if the Pilgrim Fathers had fallen upon a docile native race which could easily have been impressed into the white man's service, they might have fared as their correlative did in South Africa. The Dutch in Cape Colony laid the foundations of a seemingly democratic society in which complete equality existed ultimately amongst the members of the white race. But these white people form only a thin middle and upper social layer whose very existence is dependent on the co-operation of native races; though they may fear or despise the natives, their destinies are inextricably bound together. Providence, seemingly mean, has protected the settlers on the North American continent from a similar fate; it enabled them to found a socially democratic commonwealth which in the end completely destroyed its slave-owning, feudal Southern fringe. It gave them the chance to make "the great American experiment": the creation of a capitalist society composed of men and women supposed to be free and equal.

THE AMERICAN EXPERIMENT

CHAPTER I

THE COUNTRY

I. IMPRESSIONS

To the eyes of a geographer the United States look like a huge trough, bounded on the east by the Alleghenies, and on the west by the Rocky Mountains. To the east is a narrow stretch of low-lying country, traversed by great rivers. From the mouth of the St. Lawrence—an elongation of the Great Lakes—which has cut a deep and wide crevasse into the heart of the continent, this strip of low-lying country extends almost as far as Florida. Here was the birthplace of the thirteen States which formed the Union of 1776; here also lie the Canadian coast provinces and the first settlements of New France. In the west the mountains fall abruptly to the shore of the Pacific Ocean. The principal areas of level country are found at the river mouths. Elsewhere the coast-line, from Prince Rupert, near Alaska, to San Diego on the borders of Mexico, presents a succession of steep cliffs, giant snow-covered mountains, sharply jagged sierras, or gently undulating hills. They are sometimes so close to the sea that their shadows darken the water, which, greenish-grey in British Columbia, eventually softens to a smiling blue, reflecting the eternal Californian spring. In the north the mountains rise steep and forbidding from the water's edge. A huge fringe of islands skirts the fjords, through whose narrow lonely channels the ships seek their way: only at a few points a railway cuts across the mountains. All human intercourse depends upon the steamer, whose shrieking sirens pierce the fog. There is no road leading inland from the town; motor traffic is possible only in its immediate neighbourhood. So it happens that North-Western Canada

can boast the only town in the North American continent which is free from noise.

Farther south, where the colours grow warmer, you may come suddenly upon a settlement in the cleft of an inlet, clinging to the rock like a fantastic fortress of the Middle Ages. This is a town built by some ambitious American business man for the manufacture of paper, set down incongruously in the midst of the forest world. Its little wooden houses look like the contents of a child's playbox. From the centre comes the ceaseless roar of the grinding rollers. Round the mill are grouped the neat cottages of managers and workmen; near by are the club, the picture-house and the church. Everything looks comfortable, clean and adapted to its purpose. But it cannot last, because it serves only a passing purpose. When the surrounding country has been cleared of trees and the undergrowth begins to spring up again around the dead stumps, the town will be forsaken, to be set up anew in some other place. It vanishes without leaving a trace. Nature once more takes possession. Only in place of the huge trees there springs up a confusion of wild undergrowth, turning the forest into a tangled thicket.

More than three thousand miles away in the east, at the junction of the Saguénay with the St. Lawrence, stands a little wooden mission-church, the successor of a chapel which was built in Tadousac by the French in 1603. Past, present and future are united on this one spot; the paper-towns have only a swiftly-passing present, but no future.

From the mouth of the Fraser river the picture becomes more pleasing; the low-lying stretches of land grow wider at the mouths of the rivers. Here the last West has built its cheerful capitals, devoting themselves to lumbering and commerce. And still further to the south lies the land girdled by sierras, with San Francisco as its centre, where the Golden Gate stands wide open, uniting farthest West with farthest East. From San Francisco to Los Angeles and San Diego stretches that sunny coast whose bare hills, crowned with pines and

olives, shimmer in the opaque air. It is as though Nature had sought to build a new Greece in the New World.

Between the mountain systems of the east and of the west, from the Gulf of Mexico to the deep inlets of the Arctic Sea, lies a mighty stretch of low-lying country. The Mississippi, drawing its tributaries from east and west, cuts through this plain on its way to the south. Along the borders of Canada this large expanse is divided by the chain of lakes which the St. Lawrence ties to the sea. The St. Lawrence itself, below Quebec, is a flowing lake, so wide that even at St. Louis the Mississippi looks a mere rivulet in comparison. North, south and west of the Lakes stretches the endless prairie, from the cotton-fields of Louisiana and Texas to the wheat-fields of Kansas, where but half a century ago herds of buffalo were roaming. These endless wheat-fields are steadily pressing northwards, like an expanding sea. Elevators, like red light-houses, stand at intervals along the intersecting railway-lines. The powers of Nature, controlled by man, are running a race against Nature herself; the short summer allows of such crops only as will ripen within a hundred days, before the coming of the frost. The hardier the types of wheat become which the Canadian farmer can grow, the farther his fields will penetrate into the northern plains. Hudson Bay is already connected by rail with North-Western Canada, so that the crops can be sent to Europe in the summer months across the Arctic Ocean, thus avoiding the route *via* the Great Lakes or over the Rocky Mountains.

Towards the Rocky Mountains the land rises in a huge approach, overshadowed by towering cliffs. Eastward from the Prairie, north of the Lakes, there is still an endless expanse of forests on the Canadian side; to the south, in the United States, they have almost entirely disappeared. At first they helped to build the houses of millions of pioneers; then they were seized and eagerly devoured by the paper industry. They are still standing in Canada. The northern line of the Canadian National Railway (C.N.R.) from Montreal to Winnipeg,

passes for almost two days through a wilderness devoid of human inhabitants. There are scarcely any roads along this line. A few miserable houses are grouped round the station buildings, whence a track leads to a mining or lumber camp. Otherwise there is nothing to be seen but rivers, lakes, stony hills and forests—forests—forests, under whose glimmering boughs a canoe, now and then, may silently glide downstream.

2. MONOTONY

The United States are not a mere country; they might almost be termed a continent. They are the home of no one nation, but of a composite of races. They lack only Bushmen and Malays to present an epitome of the entire population of the world. In spite of all attempts at unification and standardization, social groups have formed and are keeping apart, constituting, so to speak, different cultural provinces. The South constitutes a world in itself. The East is socially an outpost of Europe; by reproducing in an exaggerated form the vices and virtues of the Old World in their social and economic aspects, it might well have become insufferable had not the Near, the Middle and the Far West thrown open a door of escape into "free America," beyond the Alleghenies.

To-day the United States cover a land area of 2,973,776 square miles. The traveller hurrying through them in a Pullman car is painfully impressed by the monotony of the journey. It arises partly from the fact that he has no frontiers to cross. The forty-eight States which make up the Union have a strongly marked individual life of their own, but there are no turnpikes to separate them one from another. Even the Canadian frontier, which extends from east to west for three thousand miles, is scarcely felt as a dividing line. Not until Prohibition in the United States had become an incentive to alcohol smuggling on a large scale from Canada was the frontier rigidly patrolled. Serious frontier incidents ensued. Before this time, particularly in the West, one was scarcely aware of crossing the "divide."

It had no existence in the American mind. The line is purely political. It intersects forests, rivers, lakes, prairies and mountains, without respect to natural unity. The American ignores it. He has 3.9 milliards of dollars invested in Canada, while Canada owns at the most 1 milliard in the United States. Moreover, with a certain *naïveté*, he takes it for granted that all America is one country. Under the influence of certain racial theories he imposed strict limits on the European immigration, with an eye especially to Latins and Catholics. Yet he admitted without question not only French Canadians, but also Mexicans. It never occurs to him to take Canadian money with him when he crosses the frontier. He feels at home in Canada. It is his playground, and he loves it, as the North German townsman, often without reciprocity, loves the southern Alpine mountain lands where he likes to spend his holidays. As Canada is no longer under Prohibition, but has enacted very practical temperance legislation, many American congresses were held in Canada, where high (and rather strong) spirits could be enjoyed. The frontier does not worry the American. On the contrary, its existence made the festive occasions a possibility.

The European who enters Canada from the United States is keenly conscious of a distinctive Canadian atmosphere. A certain repose and mellowness hovers over Canada, which is seldom found in the United States. Not only in French Canada, but even in the Canadian West, one does feel a certain affinity with Europe, and one is sometimes conscious of this affinity even in the United States, in some quiet New England village or in New Mexico, but rarely in New York, and least of all in circles where it is deliberately sought after. But this difference between Canada and the United States is the result of their social and political structure; it is not due to the different nature of the countries.

The vast expanse covered by each individual region is partly responsible for the recurring impression of monotony. The majority of the thirteen States which formed the original Union

lie east of the Alleghenies, in a country not unlike Europe in formation and extent. Even at the present day, when States like New York and Pennsylvania extend far westward, the thirteen States cover no more than 322,000 English square miles, a territory not much larger than that of present-day Germany. But a single south-western State like Texas covers 262,000 square miles. On the far side of the Alleghenies the scenery is on such a huge scale that its very extent is bound to stamp the impression of monotony on the traveller's mind.

Moreover, our modern means of communication, particularly the railway, cannot fail to make for uniformity. Each railway company equips its trains in a different fashion; their carriages and engines are painted in different colours. But the sleeping-cars and parlour cars of the Pullman Company travel everywhere. And though the sleeping-berths on the Canadian railroads are a few inches longer, and the cars are not the property of the Pullman Company, but of the railway companies themselves, the difference between them is slight and superficial. As far as the lines of railroad extend they impress an outward uniformity upon the countryside. This is true not of the actual railway track alone; stations and elevators are to a great extent of one pattern, although efforts are now being made to adapt them to the landscape. The railway is inevitably constructed "to type" and wherever it appears it has the effect of reducing to type, of normalizing and standardizing. Three-quarters of a century ago cities sprang up almost in a night, throughout the country, in the wake of the great Pacific railways. As time went on the roughly-planned timber towns, which had satisfied the demands of the pioneers, were themselves transformed into typical American country towns, after the model of New England. In the last few decades, whenever a rich new region, such as Oklahoma, has been thrown open, the town has appeared almost before the advent of the first farmer. A realtor—a speculator in real estate—takes possession of a strip of land, lays it out in blocks of houses, builds a huge hotel after the pattern of the hotels in the East, and by the sale of

plots of land, and all kinds of financial operations, tries to make the desert blossom into a town. If the district is rich enough such a town springs up like a bed of mushrooms in a damp summer. It is a town of sky-scrapers and palatial banks, lining rectangular streets. Electric trams clank through them, when they are not blocked by long black lines of motor-cars. The wide Main Street is paved with asphalt, and is another Broadway, a "Great White Way," lined with sidewalks and bordered with picture-houses and shops, and illuminated at night by the white glare from countless cream-coloured globes. The town sets itself to copy Chicago and New York, and the result is a town which could have been ordered from any wholesale specialist in town-making, unpacked, and set up in position, like the houses in a child's toy village. The model of life on the Atlantic coast, grown stale with long use, is presented to the West for compulsory adoption.

The impression of monotony gains added strength from the fact that the inhabitants of the West are wont to take more pride in their imitations of the East than in their own original achievements. As the East will brag of its English and French imitations, so the West will draw the traveller's attention to the skyscrapers, the huge hotels and clubs, which it has copied from Eastern models.

In a somewhat different way the same process of adaptation has been applied to the land. It has been divided into "townships," blocks of land 6 miles square. Each "township" is divided into 36 sections of one square mile—640 acres—each. The quarter-section of 160 acres represents the size of the average farm. Closed village settlement lasted only as long as the Indian peril made it necessary. But the abstract conception of a communal township and common town lands has survived, though the order of close settlements has been long ago broken up. The little houses now stand each in its quarter-section, painted red, grey, or white. In spite of variations they have many features in common. This applies to the whole of the West, right up to Canada's far-distant Arctic seas.

The old South, however, wears a different air, corresponding to her social past. Here the most striking feature is the "gentleman's place," a large country-house, frequently decorated with colonnades. This style of domestic architecture came to perfection in the country seats of the *grands seigneurs* of Virginia, such as George Washington's Mount Vernon, or Thomas Jefferson's Monticello. And in the Far West and the South-West the system of the large ranch, first introduced by the Spanish caballeros, has persisted in every region where the business of cattle-raising is still pursued on a large scale all over the steppes covering the great eastern slopes of the Rockies. Though the system no longer prevails in California the Spanish style of architecture has not been superseded.

3. DIVERSITY

The enormous territorial expansion of America lends the country, on the one hand, a certain monotony, due to the inevitable recurrence of similar characteristics; but, on the other hand, it gives rise to a great deal of variety. The country stretches from the Arctic Ocean of Canada to the Gulf of Mexico, from the grey coasts of New England to the laughing shores of California. It includes—and almost invariably on the largest scale—mountains and plains, prairies and forests, lakes and rivers, deserts and oases. It offers thousands and thousands of specimens of landscape, from the great rivers of the East which mirror the proud seats of an old aristocracy to the mud-walled ranch on the eastern slopes of the Rockies; from the plain of the Mississippi, with its rich black loam, and its almost suffocating productiveness, the land of Indian corn and the paradise of hogs, to the golden wheat-fields of the prairie provinces; from the neat orange groves of California to the porphyry gorge of the Saguénay. Even the great cities, for all their similarity, have a character of their own. New York and San Francisco differ as widely as any two capitals of Europe. Chicago and Los Angeles—the one a direct, the other

an indirect product of the "Middle West"—are conscious rivals in their efforts after self-expression in town-making. New Orleans, the old Creole capital, and Detroit, the paradise of Fordism, are not the greatest contrasts; Philadelphia and Seattle each claiming the largest number of one-family houses, resemble one another only as a hen's egg resembles a seagull's.

One may picture the whole country as cut up into a number of wide strips running from north to south. First comes the littoral, shut off from the country inland by the Allegheny Mountains; it embraces the States stretching along the Atlantic coast to the Gulf of Mexico. Between these and the Near West, originally a forest country, of which the last untouched reserves survive in the Canadian province of Ontario, spreads the Appalachian mountain system, whose remote valleys harbour to-day the primitive descendants of the earliest English settlers. Adjoining it is the real Middle West, the great low-lying country of the Mississippi, the land of endless prairies. It is followed in turn by the incline that leads up to the Rockies. This embraces the former American desert, with its red earth, its mineral treasures and its steppes. It ends in the great system of mountain ridges which forms the backbone of the continent from Alaska to Mexico, and slopes down to the narrow strip of land at the edge of the Pacific. Here, in the gardens bordering the coast from Vancouver to San Diego, sheltered by the mountains from the north and east winds, and fertilized by the moist breath of the sea, the golden apples of the Hesperides may grow and ripen.

The uniformity of the strips of land stretching from North to South is greatly modified by the geographical latitude. The mountain-sides of British Columbia and North California, clad with great cedars and cypresses, have a very different aspect to the bare yellow southern hills, sparsely covered with live oaks and olives. The sunlight that shimmers on the golden seas of gently waving wheat in the Canadian prairie provinces is very different from the sunlight that gilds the stalks

of maize that rise in serried ranks from the black soil of the Mississippi valley. It is this twofold variation in length and breadth which gives the giant country its manifold diversity and its motley colouring.

Moreover, another force has been at work. The European peoples have impressed their character upon the North American continent. They have hewn down its forests, cleared its steppes of Indians and buffaloes, cut up its prairies with mattock and steam plough, and extorted from its soil the fruits of their native land. It is true that even to this day they have only scratched the surface. Yet the destruction of the forests, and the ploughing up of the prairie, seem completely to have changed the face of the land. Towns, mines and factories have introduced new elements into the picture, though as yet only here and there is the landscape itself permanently affected by these changes. When men abandon a mining camp, or let the forest which they have felled spring up anew, or withdraw the plough from the exhausted soil, Nature returns with uncanny haste to cover up the traces of their activity. There is scarcely anything more desolate than a forsaken farm in New England, or a lead-mining camp in Wisconsin, whose inhabitants have long since departed. But so long as man remains on the spot the landscape bears traces of his individuality.

The three great pioneer races, English, French and Spanish, who conquered the American continent, impressed their own personality upon the landscape. The Spaniards and the Frenchmen settled a limited region only, whose natural features may have reminded them of their native countries, where landscape and national character complemented one another. But the Anglo-Saxons overran the whole continent, spreading an English-speaking stratum over the Spanish and French sediments, partly surrounding and partly submerging them.

4. NEW FRANCE

There have been Frenchmen at the mouth of St. Lawrence, in what is now the Province of Quebec, since the year 1535,

when Jacques Cartier wintered there. As long ago as 1603 a French colony was founded in Tadousac, at the mouth of the gloomy glacier gorge of the Saguenay, to carry on a trade in furs and to convert the Indians. Following the banks of the "Great River" and its tributaries, and later crossing the Great Lakes, French hunters, missionaries and soldiers penetrated into the heart of the continent. Long before English settlers from the south and east had pushed westwards over the mountain passes, a chain of French agencies, mission stations and military posts stretched from what is now the province of Quebec, across the lakes and rivers of the Middle West, through the valley of the Mississippi, as far as New Orleans. The fortress of Quebec and the Island of Montreal, situated higher up the Great River, formed the heart of this colonial empire. There French fishermen, peasants and hunters, monks and nuns, soldiers and Government officials, built a New France.

The city and fortress of Quebec were founded by Samuel Champlain in 1608. He chose for their site the plain on the great promontory of Cape Diamond, which rises sheer from the northern bank of the St. Lawrence. Here, washed by the river and its tributary St. Charles, tower the walls of the city, grey and weatherbeaten as one of the old Norman seaport towns of the mother-country, and still French to the core. Far below flows the St. Lawrence, the "Great River," soon to expand beyond the Isle d'Orléans into a lake hemmed in by hilly shores. The Atlantic liners steam down the "Great River" for two days before they reach the open sea. Here, where this inland water has a width of from 15 to 30 miles, one may form a true conception of the size of America.

In the beginning the Jesuits made heroic efforts to found mission stations amongst the Indians. Then the French Government intervened and tried to establish a French colony in place of a native dependency. It gave its officers estates along the banks of the River Richelieu and the "Great River," granting to each of them a large square block of land. From the river bank it stretched far back into the silent forests, where a thick roof

of leaves shut out the daylight, and all free movement was hampered by the undergrowth. Part of this property was made over by the officers to their soldiers. These tributary tenants or "Censitaires" are now known as "Habitants." They clustered along the river for purposes of defence and intercourse, and along its banks sprang up the little village, consisting of the Seigneur's house, with low walls and projecting eaves, surrounded by the huts of the peasants. This was called a *Côte*. To this day these villages line the river banks, and long narrow strips of land still run inland over the hills at right angles to the water.

New France is a little island, truly an "Isle de France," in the great sea of the American continent. Its priests and officers, and the boldest of its settlers, pushed out into the forest and prairie. To this day, in the Middle West, French names like Vincennes, Prairie du Chien, Eau Claire, tell of the deeds of these French forbears. They frequently joined forces with the Indians, broke loose socially, and even in religion, from their French environment, and evolved into the "voyageur" type of half-caste trapper and explorer. The most enterprising of these pioneers, La Salle, built his stockade on the bank of the "Great River" at the point where the rapids churn its waters above Montreal. His settlement came to be known as La Chine, because he believed that by travelling upstream he would find rivers that flowed into the Pacific. He was the ancestor of modern Chicago.

French rule collapsed in the year 1759: by the Peace of Paris in 1763 Canada, properly speaking, was lost to France. She retained Louisiana, the valley of the Mississippi, with the capital New Orleans, until the year 1803, when the huge territory was sold to the United States by Napoleon.

France has exercised a threefold influence on the making of America. By the expulsion of the French from Canada, the English colonies were relieved from the fear of being surrounded by a foreign military Power. They were no longer thrown upon the protection of the British Motherland, and

could afford to cultivate a feeling of independence. When England, in virtue of her sovereignty, required them to defray the cost of her latest war, they rebelled.

It was thanks to the support of the French that they were victors in this War of Independence.

A quarter of a century later France surrendered her claim to the Middle West. The acquisition of this wide and fertile area made the promise of the Declaration of Independence possible of fulfilment: "We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights: that among these are life, liberty and the pursuit of happiness." There are few relics of French dominion left within the United States. The camps of the trappers and settlers have long since disappeared. Only in Louisiana, the home of the Creole, and especially in New Orleans, some traces yet linger. And here, in early autumn, one may see in the Louisiana sugar-fields French peasant-farmers cutting the cane under the orders of an overseer speaking their own language. Canada, on the other hand, has remained, or to speak more correctly, developed into, a stronghold of Old Catholic France in the Province of Quebec, the former New France. From the 70,000 French who inhabited the country when the English took possession in 1763 there has evolved a self-contained nation of 2½ millions, French and Catholic to the backbone, who offer the sharpest contrast to modern America. The country of "the churches with silver roofs and the belfries with golden weather-cocks" rejects on principle the American system of the separation of Church and State. It has learnt from experience; for the half-million French Canadians who have emigrated to the United States have lost their French speech and their French character under the new Government, though they may not have abandoned their Catholic faith. To the New France the United States are by nature strange and inimical. French Canadians are today the most stable bulwark of British rule in Canada. For them its collapse would mean compulsory absorption into another

religious, political and social order, with the loss of their national characteristics.

5. NEW SPAIN

The influence of Spain on the United States has been much more lasting than that of France. The Spanish colony in Florida may be an exception to this rule, for little now remains of it but the knowledge that St. Augustine was the oldest town settlement on the continent. But seven out of the forty-eight States of the Union—California, Nevada, Utah, Colorado, Texas, New Mexico and Arizona—were severed from Mexico in the course of the nineteenth century. The great Spanish landowners who occupied their *estancias* and ranches in California before the time of the gold-diggers have disappeared. The capitalist spirit of a new age has swept them away, but the framework within which they lived their life is still standing. The country seats of Californian millionaires are not imitations of the colonnaded houses of the Southern planter: their model is the ranch of the Spanish caballero. And the mud-built, dark yellow mission-houses of the heroic age of Spanish priesthood have not only become national monuments: they have influenced the architecture of the whole of the Far West. This influence is more clearly visible in certain parts of the Southwest than on the Pacific Coast. A journey from Kansas to Santa Fé provides a complete study in American contrasts. Kansas is to-day the most authentic remnant of New England, for New England itself, and Massachusetts in particular, have been conquered by foreign immigrants. At a distance of scarcely twenty-four hours' journey from Kansas, Santa Fé slumbers on the bosom of the hills that rise from the red-gold plain. It was once the capital of Spanish North America and is today the capital of the State of New Mexico. The Government building which served for centuries as the residence of the Spanish governors still stands in the great square. It is a one-storeyed adobe building. Close beside it a hideous tin cupola

towers above the Capitol—the seat of the modern Government—representing an effort on the part of ambitious builders to modernize the old city. Next to this a bank building attempts to throw the natural style of the adobe houses into the shade, and to excite the emulation of other builders by the austere lines of its Corinthian architecture. Fortunately it has not succeeded. The landscape and the history of the country have been victorious over this sort of art. All the latest buildings are built in adobe style. Even modern commercialism has been constrained to accept this fashion for the better exploitation of the country: the new hotels have been built after Spanish models.

This State is only a day's journey from the region where the pioneer spirit of New England survives in its most active form, yet half the population of Santa Fé consists of Spaniards, Mexicans and Indians. The majority live in cube-like adobe houses, whose window-frames, painted light blue, and surrounded by dark red bunches of pimento, give a strange glow of colour to the grey walls. The Indians who inhabit the villages carry on the primitive handicrafts of their forbears: pottery, weaving and painting. They have long since become children of Holy Mother Church, who, with her strange tolerance, so contrary to logic and so psychologically wise, suffers the Christian Indians to practise their heathen customs and rites. In the village stands the Kiba, a great platform like a baker's oven, from which a huge wooden prong towers heavenwards. This is the Holy Place of the Indians, and here at the Festivals of the Seasons they hold their heathen dances, without interference from the Church.

This is the Land of "By and By"—of *poco tiempo*—the land where it is always today, where tomorrow is mentioned only with the aim of getting rid of anything which might prejudice today's enjoyment. It is a land of Being, which has no thought of Becoming. Here the Past is no more than a far-away Present, a prelude identical with today, which was repeated so many times, until yesterday became today, and

England." In New England, Massachusetts, in Connecticut and Rhode Island the democratic system was evolved which was outlined in England under the rule of the Saints. In the New England township Church membership and citizenship were identical. It was a community in which, originally, all members thought and felt alike. The similarity and equality of its members enabled it to lay the foundations of a logically consistent and nearly always intolerant democracy, and to lay them more securely than anywhere else in the world. On the other hand, the great plantations, worked by negro slaves, carried the principle of inequality to far greater lengths than the strictest feudal system in Europe.

Each type reproduced a part of the system of the old country in an exaggerated way, less in the spirit perhaps than in its visible social form. The narrow, somewhat anaemic religious mentality, which was hard to maintain undiluted in England, wedged in as were its representatives between other more powerful religious bodies, flourished exceedingly under the theocratic government of some of the New England States. And though amongst the Southern settlers there were men like George Washington, who were the exact counterpart of the English country gentlemen of the eighteenth century, the great body of whites in the South were small holders, frequently needy farmers, whose almost forgotten descendants have lately come to light in the Southern valleys. They have preserved down to the present day the outward marks of their unadulterated English origin: golden hair, blue eyes, sharply-cut features of almost aristocratic stamp. In their poverty-stricken surroundings they have maintained the mentality of the aristocrat, with the outlook proper to a feudalism founded on negro slavery. Their fathers and grandfathers filled the ranks of those valiant grey regiments that died at Gettysburg for a social cause from which they derived little benefit. The Methodist movement, and the Revivalist efforts connected with it, found a ready response amongst this population. Today it constitutes the backbone of low-brow Puritan fundamentalism.

English colonization has impressed its twofold character upon the landscape. Mount Vernon, on the banks of the Potomac, is a beautiful example of a great plantation. George Washington's old country-house, built of timber, with two wings backed by the huts of the coloured servants, is like a gentleman's seat in Europe, in the lordly days of the eighteenth century. Wherever slavery went it tried to carry the plantation system with it, to set the big house and the lowly huts over against each other in the newly-occupied territories of the West.

The New England townships were altogether different; life in them was originally almost socialistic. A few streets bordered by great elm-trees cross each other at right angles. Little one-storeyed houses stand along them, on unenclosed ground; at the present day they are for the most part painted white, with green shutters. The house is surrounded by a grass-plot, which slopes down to the street; behind the house lies the flower and vegetable garden. In the centre of the town stands the church; nowadays, as a rule, there are many churches, for New England is a land of sects. It was called the Meeting House, for the church was used not only for religious services, but was the centre of the life of the community. To this day the accommodation of many New England churches is arranged with an eye to secular meetings. Many actually possess a kitchen which ministers to the wants of the congregation on festive occasions. This type of village, often surrounded by palisades against Indian attacks, was the nursery in which modern democratic America grew to maturity. As the Indian peril disappeared the features of the town underwent a change. The homes were scattered all over the country-side, as each separate little house was built within its own section.

Both systems—the New England township and the Southern plantation based on slavery—made their way farther West. First went the hunters and trappers, who advanced singly or in groups; in spite of the Indian peril, the settlers followed them; the South was ultimately occupied by the slave-owners,

who hoped to carve out estates from the new country and cultivate them by the labour of the slaves whom they brought with them. Independent farmers, who were seeking homesteads for their families, were attracted to the North. Prominent amongst them were the Ulster Scots, who had been driven from their homes after 1721. As early as 1787, when the new North-Western territory was founded, slavery was forbidden within its then existing confines. In the South and West, however, there was still room for the development of the Southern system. The internal history of the United States, up to the time of the Civil War, was made up of continuous attempts on the part of the planters to force as far northward and westward as possible the frontiers within which slavery was permissible. The controversy which raged around these frontiers was for almost a century the weightiest problem of the United States. In the end the North was victorious, because slavery by its very being was a hindrance to the influx of a dense white population. The North pushed westwards through the pressure of the masses behind it, and because it had the masses at its disposal it was able to occupy the spaces to which it laid claim, and finally also to organize the armies which overthrew the South. The more the Indian peril receded into the background, the more the development of modern technique in the shape of steamers and railways made intercourse easier, the less were purely warlike qualities needed by the settlers, and the more the migration of farmers seeking land was encouraged, rather than that of trappers and hunters in search of adventure. It became possible to direct an immigration of the seething European multitudes into the empty spaces. The warlike border population was no longer in demand. The Homestead Acts, passed at the time of the throwing open of the Prairie States, were a signal proof of the victory of the democratic settlers' policy throughout the country. The New England village, not the tidewater plantation, was the type set for America to copy.

This type is no longer confined to the United States; its

sections, half and quarter sections may be seen throughout the Canadian prairie provinces and the Canadian North-West, which has lately been opened up. There the last and farthest West, made accessible by the joint labours of the Canadian Government, the Provincial Governments, and the two great railway systems which are continually pressing farther North, is waiting for settlers. Ultimately, when the present wheat crisis is over (the total Canadian crop fell from 567 million bushels in 1928 to 304 million bushels in 1931), it may extend as far as the Arctic Ocean, if success crowns the efforts of those who are seeking to breed a summer wheat ripening within the short period free from frost.

7. NUANCES

The different geographical, political and social peculiarities combined to produce a great diversity in the face of America. Further variations have been introduced through the presence of other races which have taken root there, in addition to the three nations which have been the masters of large portions of the American continent. New York is a city of Dutch origin, and there, for a long time, Dutch traditions were kept up. Mass immigration from almost all parts of the world has impressed special national characteristics on certain towns and certain countrysides, though it has yet to be seen whether the impression will be a permanent one. Twenty years ago there were little towns in Wisconsin the aspect of whose street life was thoroughly German. As the entire immigrant population has been subjected by the Anglo-Saxons to an Anglicizing process of a rather New England stamp, so one might say that the landscape, in spite of regional variations, has preserved a certain uniform American character.

To the European, viewing the country for the first time, it seems to be steeped in colours which are unfamiliar to his eyes. The light seems to jingle, the colour screams, a glaring tone lies over everything, a metallic brightness glistens from the

leaves. The forest, especially in the East, looks like a forest without shadows. The birds seem to have fewer songs and the flowers to be scentless. Slowly this impression fades, as the great country as a whole expands before his eyes in its endless manifoldness. Northwards in Canada the glaring colours which seem to scintillate on the East coast about New York grow lighter and more transparent. Towards the South and the Pacific Ocean they assume a warmer tinge. But even in Southern California the perpetual spring is harder and more metallic than in the countries of the Mediterranean. The shimmering, hazy unity of the European landscape is created by the weaving together of innumerable many-coloured little strands, each too small for its individual tone to be perceptible. America's mantle is more of one tint. But rain and sunshine, frost and the glow of summer have toned down the somewhat glaring uniformity into innumerable shades of colour. Yet they can only modify and not extinguish the great degree of uniformity which still remains, woven by Nature and coloured by man.

CHAPTER II

THE PEOPLE

I. EUROPE IN AMERICA

Some years ago a gifted American author wrote a book entitled *Round the World in New York*. In so doing, he essayed to prove the thesis that all the nations of the earth, in more or less self-contained groups, may be found within the boundaries of this one city.

Multitudes of Irishmen and Germans, Russian Jews and Italians live here in the ways of their forefathers, side by side, in self-constituted ghettos, preserving for a time, under the glaring light of the American sky, the manners and customs of their ancestors. To them must be added chips from the block of every other European nation; Asia is represented by Syrians and Persians, Indians and Chinese, Japanese and Philippinos, while Africa contributes thousands and thousands of negroes of every shade of colour, born for the most part in the United States. New York, with its 327,706 negroes, is today (1930) the metropolis of the African race. It is the city of a thousand ghettos, both Christian and Jewish. Over the surface of a European multiformity, shrill and colourful, a thin transparent veil of Americanism is spread, easy to tear asunder and frequently torn. New York is not America. It was the breach in the wall of the American continent made by the European multitudes—the sieve through which the muddy stream of immigration poured into the Promised Land: in its fine meshes were caught the multitudes who have now spread in a thickish layer over the peninsula of Manhattan and the islands and shores in its vicinity. New York and the Atlantic coast towns, as well as the centres of the Middle West, such as Chicago and St. Louis, and San Francisco, the metropolis of the Pacific, have thus become a Little Europe, a many-coloured patchwork

made up of the rags and tatters of the populations of the old continent.

This mixture of nationalities, however, is not confined to the great cities. The typical American country town of the Middle West does indeed show only a small percentage of immigrants and negroes: in 1890 the proportion of the first was 5 per cent., of the negroes scarcely 4 per cent.; in 1920 this had fallen and risen to 2 per cent. and 6 per cent. respectively.¹ This discrepancy, however, is easily explained by the fact that the children of immigrants are counted as Americans, without regard to their particular European origin. The German inhabitants of Pennsylvania, whose forefathers landed in 1683, are reckoned as Americans, as are the descendants of the "Forty-niners" in Wisconsin, although before the War many of the older people spoke English very imperfectly. Up to that time a considerable number of small towns in Wisconsin retained the outward features of the German provincial town.

The same state of things is found in the rural districts. A great proportion of the farmers came originally as emigrants from Europe: there are German districts in Wisconsin and Polish districts in Massachusetts: there are Portuguese in the rural areas of New England, and Italians in the vine-growing districts of California. In the course of a single century, between 1820 and 1919, a total of 33 million immigrants entered America. The War and the legislation after the War resulted in a decrease and shifting of immigration. An average of 663,656 for the year (after deducting the numbers of re-emigrants) dropped to 312,219, which total had moreover materially altered in composition.² While before the War 152,000 emigrants came from North and North-West Europe (this is known as the "old immigration") and 456,000 from

¹ *Middletown, A Study in Contemporary American Culture*, by Robert S. Lynd and Helen Nevill Lynd, p. 9.

² *Recent Economic Changes in the United States: the Report of the President's Conference Committee*, New York, 1929, p. 885.

East and South Europe and Asia (the "new immigration") the ratio before the great crisis was 118,000 to 30,000. On the other hand, the immigration from Mexico had risen to nearly 50,000, and that from Canada to over 100,000.¹

Until the recent depression set in, these latter immigrants were not subject to legal restrictions, owing to their American origin, although in the matter of race (and of religion) they are much more closely related to the Southern (new) immigration than to the peoples of Northern Europe. But the word America has a peculiar significance to the American mind: a cultural interpretation is given, unconsciously and in part erroneously, to a geographical designation.

2. INDIANS AND NEGROES

The American people are a composite nation. The aboriginal population, the Indians, have no considerable share in it. Their numbers in 1930 were 332,000. In the North-West, at the foot of the Rockies, one meets now and then with a wandering band who have set up their tent or tepee upon three crossed staves. Their chiefs still wear the feather head-dress, the war-paint, and the outward dignity of the red man of Fenimore Cooper's novels. Or a village settlement of Redskins may still be found in North-Western Canada, where, baptism notwithstanding, great totem trees, with their animal emblems carved and painted in many colours, tower above the wooden huts. In the South-West, where Indians and Mexicans have intermarried—though each people still retains a strong racial feeling—remnants of the old migratory tribes roam over the plains. Here also lie the Pueblos (Indian towns), perched upon the flat sharp-edged top of a projecting table mountain, a "Mesa," where the aboriginal civilization of the American-Indian South country still holds its ground.

The frontiersman had a bitter hatred for the Indian—"the only good Indian is a dead Indian." The land hunger of the

¹ *Recent Economic Changes*, p. 428.

Pioneers could never be held in check by the United States Government, which tried in vain to secure to the Indians the Reservations which had been guaranteed to them by treaty. It looked upon them as its wards, and worked hard for them. It was always obliged to give way, and did not succeed in protecting the pure Indians in a genuinely Indian sphere of living. But they have not simply died out: there has been much intermarrying. The five tribes, for instance, which were driven out of the South-East, and finally settled in what is now the State of Oklahoma, the former Indian Territory, have mingled extensively with negro slaves. In the towns of Okmulgee or Muskogee one could see, a few years ago, the results of this mixture, which, unlike many other racial mixtures, could not be called particularly attractive from the standpoint of physical beauty. When oil was found on these Indian Reservations the United States Government was unable to prevent their partition. The Indian Territory was thrown open to settlers, and finally, in 1907, it became the State of Oklahoma. The last great land-rush took place there in the year 1902. But the United States Government succeeded in protecting the interests of these Indians, in so far as the licence fees payable for drilling oil went to the various members of the tribes. Many of them became very rich, but their wealth did them no good. White adventurers frequently married their women for the sake of their money. These were the so-called "Squaw-men," who were spoken of with contempt—not, however, on account of their mixed marriages, but because of the motives which led to them. For the Indian counts as a member of a ruling race, but the negro as the member of an enslaved race. Indian connections and an Indian origin are not considered degrading; on the contrary, many Americans are proud of their genuine or imaginary Indian descent. For the Indians were the former masters of the land; thus the children of democratic immigrants who can claim descent from them become the offspring of the old aristocracy. It is scarcely possible to estimate the strength of the actual Indian infusion. Doubtless there are very many

people whose features betray Indian descent—a sharply-cut profile, prominent cheek-bones, coarse black hair. They have the stern hatchet face, to which American novels attribute a character of stoical virility, which was certainly possessed by the Indians. But it would be hard to determine how much individuals owe to their natural surroundings and way of life, and how much to their descent.

The negro has had a very different significance for the population of the United States. In the year 1930, of their 122·8 million inhabitants 11·9 were negroes. The majority of the negroes are native-born Americans: only a relatively small proportion have migrated from the West Indies or from Africa. Even though the great majority of these negroes possess the recognized bodily characteristics of the Ethiopian race, there are today many amongst them, the offspring of intermarriages, who might be taken for whites from their appearance. The complete equality of coloured people and whites, which was laid down after the Civil War by the Fifteenth Amendment to the Treaty of Union, has not been found capable of realization in the States where the negroes count. There is nowhere in the South any question of social equality between blacks and whites; nearly everywhere compartments are strictly reserved, in railway trains, tramcars and waiting-rooms, for whites and for blacks. A highly-educated negro, even when vouched for by his clerical attire, will not there be admitted into one of the leading hotels. But to this day, on the plantations and in the old-fashioned towns, where the atmosphere of patriarchal interdependence has persisted, the relations between the two races are often friendly enough. Where the demand for equality has taken the place of dependence it has been met by total rejection.

Neither friction nor prejudice, however, could prevent physical intercourse, whether it took place in secret between master and slave—as was common enough in former times, in spite (or in consequence of) the accentuation of the standpoint of the ruling race—or whether it has occurred amongst the

lower classes in the coloured quarters of the cities. At one time the mixed populations which resulted had a passionate and not unnatural desire to become assimilated to the various white strata composing American society—"to change over," as the phrase runs. Their attitude has altered, in consequence of their total rejection. There are, however, many "white negroes" who are treated as whites, being shielded from recognition by the silent loyalty of their black connections. Since negro blood counts as slave blood, social equality is out of the question, in spite of the political equality which is the law of the land, and which is generally recognized in the Northern States, where there are relatively few negroes.

The Great War reduced immigration and brought about a shortage of workmen in the Northern industries. This led to the employment of hard-working and intelligent negroes in the workshops of the North. From some of the counties of Georgia 60 to 75 per cent. of the negro farmers migrated northwards in the years 1910-25.¹ Negroes working on the plantations or in the small Southern towns are at the mercy of their former masters and their feudal ways of thought. For them the rural exodus means *deliverance* in the sense the word bore in the Middle Ages, when the air of the cities gave freedom. The number of negroes living in urban areas has risen from 2·685 millions in the year 1910 to 5·194 millions in the year 1930. The rural negro population has declined from 7·143 millions to 6·697 millions.² It is true that in the North they are no longer regarded as welcome guests; in the small towns especially there is a prejudice against their advent. Efforts have been made from time to time to segregate them legally by by-laws to some sort of urban negro reserve. They have failed everywhere; but in point of fact some sort of negro ghetto is bound to arise. When negroes begin to settle in one quarter of the town their white neighbours begin to move away. All the house property in the neighbourhood falls little by little into the hands of negro tenants or negro owners. Negroes are

¹ *Recent Economic Changes*, p. 573. ² *Recent Social Trends*, p. 567.

able to pay higher rents for a given amount of space, as they don't trouble much about upkeep and are quite willing to overcrowd; and so a ghetto is formed, which is not delimited by any legal boundaries, but expands continually with each new immigration. Only the lowest ranks of the European immigrants, and perhaps the Mexicans, are willing to remain in such a negro neighbourhood.¹

But economic necessity is stronger than sentimental repulsion. The trend to the North has assumed great proportions. In 1910, 87·8 per cent. of the coloured population inhabited the old negro territories; in 1930 only 78·8 per cent. were left; the number of negroes living in Northern and Western States had grown from 1,078,000 in 1900 (out of a total of 9·83 millions) to 2·53 millions in 1930 (out of a total of 11·891 millions).²

Large negro ghettos have sprung up in the Northern cities. There is a negro quarter in Chicago today, occupying what was once a high-class residential district on the South Side; there were terrible riots there, with great loss of life. But the negroes remained, and they are numerous enough to send a coloured Congressman to the House of Representatives in Washington. Negro wirepullers and negro ward and district leaders have become an institution in the highly-coloured political life of the great American municipalities. The population of these negro towns is conscious of forming a racially solid group. With the progress of education, educated professional classes have arisen amongst them—clergymen, doctors, lawyers, business men, artists. Their activities serve the need of their fellow-negroes, who often consider themselves badly treated by white professionals. By 1930 the number of negroes who have graduated through college may have reached 25,000.³ Many of them are of mixed parentage, but even amongst those who could go anywhere as white ladies or gentlemen there is little inclination today to desert their African kith and kin. They form an upper-class, a kind of aristocracy in their relation

¹ Clyde Vernon Kiser, pp. 18–24. ² *Recent Social Trends*, p. 566.

³ Paul Lewinson, *Race, Class and Party*, New York, 1932, p. 128.

to the full-blooded negroes, while they are scarcely considered as equal competitors by their white colleagues; only a few practise outside their own people. The realm of art is the one exception to this rule; in music, literature and dancing the negro has become for a while the fashion in the American cities.

These upper-class negroes live in a purely white American fashion. They have accepted white American standards, and look upon themselves as Americans. But they have no longer any desire to be either assimilated or accepted by the white Americans. Like other oppressed peoples, they have developed a national consciousness apart from that of their American hosts. They are beginning to be proud of their African individuality, and to recognize their mission: their most important contribution to American life is not the absorption into their own nature of what belongs to white America, but the preservation of their African nature and its impression on the American mind. They would like to establish their Ethiopian culture in the heart of America, borrowing nothing from America but her technical forms. Harlem, a quarter in New York, which formerly sheltered a large German colony, has become the negro metropolis of the world. Nearly 193,000 negroes live in it; its core is almost wholly black. The 107,000 negroes living between Eighth Avenue and the Harlem River north of 126th Street comprise 97·4 per cent. of the total population.¹ It is "Nigger-Heaven," the Paradise of negroes and half-breeds in the United States; but it is also a favourite haunt of the white revellers who expect to find in negro night-clubs that variety and colour which are somewhat lacking in the life of white America.

This development has given the negro race of America a new and centripetal aim, though the centrifugal purpose is still present—a kind of African Zionism, which dreams of leading the American members of the Ethiopian race from exile back to the African mother-country, and from time to time sets on

¹ Kiser, pp. 24 ff.

foot an attempt at emigration, which is wrecked as a rule by practical inexperience. The experiments, in transplantation, undertaken by Marcus Garvey amongst others, have been pitiful failures. For the bulk of the ambitious Zion is found within the United States.

3. THE MELTING-POT

Out of a total white population of 108·8 millions (1930) 13·3 millions (including Canadians) are of foreign birth. With the check to immigration the proportion of the American-born population is increasing almost automatically.

The proportions of the various individual nations can easily be ascertained from the statistics, so far as genuine immigrants born abroad are concerned, although there is no doubt that re-emigration, as well as secret immigration, somewhat falsifies the result. But it is no longer possible reliably to classify the descendants of immigrants who became American citizens, and who were born on American soil, with the exception of the Japanese and Chinese, who even after their nationalization can be plainly distinguished by external characteristics. They do not amount to much in point of numbers, although the struggle concerning their exclusion has played a great part in American immigration policy. In 1930 there were only 214,000 Chinese and Japanese in the United States. In the early days of the Farthest West the Asiatic immigration was not unpopular. The Chinese were hard-working labourers, and were willing to do a great many things which the white workers despised; even at the present time male Chinese cooks are greatly esteemed on the Pacific Coast. Their thrift, which made them poor spenders, and their ability to compete successfully with skilled white workers, made them increasingly unpopular after the real settlement of the Pacific Coast had begun. The absence of an adequate number of women prevented them from leading a normal family life, although some of the big merchants of San Francisco founded permanent homes, and their political,

or rather apolitical, traditions were supposed to be un-American. The working-men and the smaller traders embarked successfully on anti-Chinese immigration legislation, though the capitalists—and especially the contractors and railroad builders—rather favoured the Chinese. Many of the original immigrants returned home. Later on their place was taken by Japanese, who provided cheap and skilful labour for the fruit farms, which facilitated the organization of huge orchards and vegetable farms, some of which were ultimately owned by Japanese proprietors. Public opinion turned against them far more violently than it had turned against the Chinese. They were not highly esteemed as workers, were not praised for their honesty, and were regarded askance as dangerous rivals; but they made it possible for the big farms to obtain cheap fruit-pickers, and to underbid the small farmers by marketing their fruit crop more cheaply than would have been possible had they employed white labour; they thus confronted the country with the twofold danger of large farms run with Japanese labour and small farms owned by small Japanese growers. The rising fear of Japan as a Great Power provided the popular imagination with the picture of innumerable Japanese spies settling on the coast in all sorts of humble occupations, a hidden but doubly dangerous advance-guard of the Japanese army which was to sweep over the land one of these days—if proper methods of exclusion were not adopted. These took the form of very drastic anti-Japanese immigration laws, which hurt the Japanese *amour-propre* considerably, as public opinion on the coast was not willing to abide by the so-called “Gentleman’s Agreement,” according to which Japan had consented to a voluntary and efficient restriction of immigration. A few thousand Americanized Japanese were left in the country. Their numbers are temporarily increased by the admission of Japanese students, some of whom have to work for their living, and are by no means unsusceptible to Bolshevik theories. For an alien race which is barely tolerated, and whose members are made to work hard for their living, while at the same time

they are offered the political doctrines of the European-American world, is naturally inclined to accept its more radical rather than its more conservative philosophies. Japanese immigration has played a very considerable part in the population of the Hawaiian islands, where the Japanese are blending with the native Kanaka race. On the mainland their place as poorly paid workers has been taken by the Philipinos and Hawaiians, whose immigration could not be stopped, as they were American subjects, although not citizens.

As a rule the bulk of the children of immigrants born in Europe have not been slow to become outwardly Americanized. By and through the process of Americanization they have been merged in other elements of the population. For this reason, the question of the respective shares of the various European nationalities in the making of the American nation cannot be accurately answered. In some cases the first generations of immigrants have remained in a kind of ghetto, which, until recently, was continually replenished by further waves of immigration. But as a rule their more successful members are quickly assimilated to the outside world and leave the ghetto, either to prepare a place for their children, or, it may be, to follow the children when these have made their way.

This replenishment of the ghettos naturally came to an end with the decrease in immigration. Losses are no longer made good by fresh arrivals. It may happen that a race of immigrants which has risen in the world is succeeded by another more backward race, when the altered appearance of the streets is outward proof of the change. Hull House, for instance, a social centre situated in the heart of Chicago, which was instituted by Jane Addams for the benefit of the poorest of the population, has almost lost its original character. It was planned as a housing centre, but in a few years it will be completely surrounded by workshops; the old slum population is receding from it. The Greek immigration took the place of the Jewish and Irish, and even, to some extent, of the Italian. But the Greek immigration was followed by yet another wave, which

took its rise in America itself: the movement of the negroes who were migrating from the South to the North, and the Mexicans beginning to replace the Italian labourers as railroad navvies; and these were scattered over the whole country. As early as 1920 the Mexicans in the United States numbered half a million; the latest census gave a Mexican population of over 1½ millions. The Mexicans are assuredly not a white race; nor are they, as a people, given to prohibition or wedded to high standards of living. They are accustomed to drink and are able to carry a great deal of alcohol; the majority of them can neither read nor write—from 80 to 85 per cent. of the Mexican population are illiterate. But because they were born in the Americas, they were not subject to the quota, and until the crisis intervened they enjoyed the right of immigration in unlimited numbers. They had only to prove that they were not illiterate and had paid the legal immigration fee. But since the 1,800 miles of frontier¹ are inadequately watched, these restrictions were not effective. When there is no immigration the ghetto must eventually die out, as may be seen in the East Side of New York, where shops are taking the place of slum tenements.²

Since American immigration policy has been guided by certain definite views as to the racial value of the various immigrant populations, an attempt has been made to affect, systematically and scientifically, the composition of the American population. The immigration law of 1921 enacted that only 3 per cent. of the total of each foreign nation domiciled in the United States in the year 1910 should be eligible for admission. It fixed a quota for immigration, with a maximum of 356,000. It proceeded upon the assumption that a certain fraction of aliens could be absorbed without detriment. It was furthermore an experiment, which sought to control the

¹ Glenn E. Hoover, "Our Mexican Immigrants," *Foreign Affairs*, October 1929, pp. 100-1.

² Zelda F. Popkin, "The Changing East Side," *The American Mercury*, February 1927, p. 168.

biological character of the future population. Former laws, based upon the demands of the Eugenists, had precluded the immigration of the physically, morally and mentally unfit. The law of 1917 had imposed a literary test upon adult immigrants; they had to prove their ability to read and write a European language, as a sign of social usefulness. The new law did not consider individuals, but only national groups of different social values. The deserving were to be favoured and the unworthy placed at a disadvantage.

Exhaustive studies of social values were made during the War. The men drafted into the army were subjected to an intelligence test. About 1,700,000 men were examined; and it was shown that of the aliens of English origin 19·7 per cent. possessed intelligence above the average against 8·3 per cent. in the German group; of the Belgians and Italians—in spite of the fact that they were Allies—only 0·8 per cent. were found to reach the average standard. Thus the mental superiority of the American of Anglo-Saxon origin seemed to be clearly established.

The American mind is strongly inclined to measure things quantitatively. The Americans seek to shape life in accordance with a preconceived plan; this being the case they assume its subjection to simple laws of cause and effect, such as were until recently accepted in natural science. With this end in view they must measure and calculate. Americans are often accused of materialism when they say of a rich man that he is worth so many million dollars. This is unjust. The statement has nothing at all to do with a moral appraisalment: it merely measures the capital power at his disposal. Americans are unable to see things clearly until they can express them in quantitative terms. Their highest ambition is to tabulate human actions and their consequences, and human qualities and their effects, in numerical ratios. The intelligence tests met this need in a most satisfactory way. "Before the War," says a trained observer, "mental engineering was a dream: today it exists, and its effective development is amply assured." "Psychology,"

says another, "has invented a series of mental yardsticks for the measurement of human intelligence."¹

The immigration law of 1924 tried to put these ideas into practice. It took for a starting-point the alien population of the year 1890 and reduced the percentage quota from three to two. As there were few Southern and Eastern Europeans in the United States in 1890, and as the immigrants at that time were mainly Irish, English and German, a severe restriction was imposed upon the Romano-Slav immigration, the total quota being fixed at 161,000. In the year 1927 this was reduced to 150,000. The percentage quota allowed to each country corresponded to its ratio to the population of the United States in the year 1920. It therefore became necessary to ascertain the numerical proportion of each national group in that year. By correlating the resulting percentage with the total quota of 150,000 the individual national quotas were determined. Considerable discrepancies were apparent between the years 1890 and 1920. For example, in 1890 the share of England was only 38 per cent.: in 1920 it had risen to 55·7 per cent.: on the other hand, Germany's share had fallen from 31·2 to 17·2 per cent., and that of Sweden from 5·8 to 2·2 per cent., while Italy's ratio had risen from 2·3 to 3·8 per cent. and that of Poland from 3·6 to 4·4 per cent.²

It is very doubtful whether these investigations succeeded in arriving at a correct estimate of the composition of the American

¹ Stoddart, *The Revolt against Civilization*, London, 1922, pp. 53, 66, 67.

² For 1930 and 1931 the quotas were fixed as follows:

Great Britain and Ire-	Russia	2·784
land	Norway	2·377
Germany	Switzerland	1·707
Poland	Austria	1·413
Italy	Belgium	1·304
Sweden	Denmark	1·181
Netherlands	Hungary	0·869
France	Yugoslavia	0·845
Czechoslovakia		
All Europe		150·491

population at the period in question. The mere fact that the immigration laws, which they were intended to support, were immediately exposed to violent attacks from all quarters renders their significance open to doubt.

4. ANGLICIZATION

The main stock of the American nation had its roots in the British Isles. In the first periods of migration the immigrants were mostly English and Scottish, the majority of the Scottish contingent hailing from Ulster. At a later period the Southern Irish gained a temporary ascendancy. The German immigration, which had begun as early as the seventeenth century, reached its high water-mark in the years following 1848, and between 1880 and 1885.

Since the United States were originally English colonies, and since their political structure was based on English models, English influence has been decisive, not only by means of immigration, but through the continuity of political and social forms.

Intermarriages have of course been frequent between the Anglo-Saxon population and immigrants of a different origin. In the beginning the Anglo-Saxon stratum was not everywhere predominant. The Dutch of New York, the Knickerbockers, rightly regarded themselves as an ancient mercantile aristocracy rooted in the soil. But in the end the Anglo-Saxon note predominated, more by assimilation than by fusion. It constantly gained new strength through its close relations with the mother-country. Good American society naturally gravitated towards England. Even apart from the many family ties which united the two peoples, the likeness in their outward manner of life worked in the same direction. The planters of the South considered themselves transferred county families; the New England Brahmins, dominating the intellectual life of Boston, and indirectly of the whole country, saw themselves as heirs, trustees and reformers of England's spiritual treasures. Added to this was the fact that the amenities of English life were open

to all Americans who were possessed of sufficient means, and were willing to follow a few comparatively simple rules of social intercourse. English society has shown hospitality to thousands and thousands of them. It has not always loved them, and has not always respected their susceptibilities. But it has kept alive in the breasts of many American cousins the sentiment that England is the ancestral home of the family, where returning members may reckon upon a coolly friendly reception, if they adapt themselves to its old-fashioned habits. Even down to the most recent times this has had a very powerful influence upon a young democracy, to which monarchy and aristocracy are unfamiliar phenomena. A people knowing nothing of royal courts follows the doings of the English royal family with equal curiosity and sympathy: the republican who is proud of having overturned a throne in his own country gladly attends a levee today, where he regards himself as the equal of his English cousins. And the members of a nation which—since the overthrow of the South—can no longer boast of a universally acknowledged territorial aristocracy, feel drawn, with all the pride of a victorious middle-class, toward a nobility which is at once the proudest and the most accessible of any in Europe.

Moreover, there are very intimate business ties to be reckoned with. England was not only a buyer and a seller of goods: before the War she was the banker of the transatlantic world, and in a particular sense the financier of the United States. All the great North American financial operations of an international character were concluded in London. The London Stock Exchange, especially before the passing of the new American Federal Reserve law, was the regulator and the strongest mainstay of American business life. In the United States the connection between business and society is very close; outside the old South the leading business men, or rather their wives, are the leaders of society. Business and social ties have naturally completed and conditioned the intercourse between England and America.

The intellectuals form a third and very influential bond. From a superficial point of view the United States, even at the present day, are in many respects like a province of England. Their very life is carried on by means of the English tongue. The educated classes of the East are continually remoulding the intellectual life of America. They still draw largely upon English sources, and the American West furnishes itself out of their stock. Even when the relationship is temporarily reversed, as in the case of modern fiction, it does not become less intimate. The capture of the British market by the leading American novelists may not be financially decisive for American authors, but its recognition sets them in a class apart. America may have an interest in the most comprehensive of England's intellectual undertakings, the *Encyclopædia Britannica*, but in spite of every care for American susceptibilities it does not cease to bear a British character. The American university has developed from the college, which was adopted from England. In it the Brahmins of New England taught their pupils a learned catechism which they had compiled from the standpoint of their religious community. It was not originally a home of research, but, like its English prototype, an institution for training ministers of religion. Many of the smaller colleges established and maintained by religious denominations have preserved this feature. The larger universities, on the other hand, have been greatly influenced by Continental—and especially German—methods of academic organization. They have established, on the one hand, extremely efficient schools of research, for which many famous universities of the Old World might well envy them; and they have, on the other hand, become scientific training schools for the professions. Apart from research proper their task is a dual one. On the one hand, they seek to make the sum total of the practical and theoretical knowledge professed by their teachers accessible to the greatest possible number of students; on the other hand, they endeavour to give their students a general cultural education which shall distinguish the university man from

those less favoured. Thus, on the one hand, the university is a mixture of secondary school, high school and public school, which passes almost without transition into lower-grade university and technical college work; on the other hand, it is a conscious imitation of the English university, with the aim of turning out "gentlemen." Princeton, the academic home of President Wilson, was in form and content a deliberate and, in a certain sense, a successful imitation of Oxford. Organization and architecture combined to bring about the desired effect; and even the social background was not wanting, as a considerable stratum of wealthy men chose to have their sons educated in this particular *alma mater*. In other universities—like Johns Hopkins, for example—Continental impacts have made a stronger impression. An institution for research in all branches of learning has been aimed at, a true *universitas litterarum* in the most advanced sense of the word, where teachers and students are not encumbered by pre-graduate or even graduate work. The influence of this experiment on the other great universities has been enormous: research departments have been added in almost all of them, surpassing in many cases the best German examples, from which the original inspiration was drawn. Yet the influence of the New England colleges—originally schools of theocratic theology, but greatly secularized later on—has been more powerful still, for it has spread over the whole country as their pupils and their teachers have migrated to all parts of the continent. These colleges have pursued the old English ideal of education, which sets tradition above reason, form above content, and faith above doubt and enquiry. The most influential circles in the United States send their sons to the university, not because they wish them to go in for research, or to receive a professional training, but because they want to give them an all-round polish. And so they are cast in the East in dies made from the English mould.

In America, moreover, those learned professions which wield the greatest influence—the Law and the Church, and, *longo*

intervallo, the teaching profession—have their roots in English soil.

American jurisprudence looks consciously to English models. In this new country, where every department of life is imbued with a spirit of rationalistic impatience, legal formalism and scholasticism live on undisturbed, side by side with a vast amount of extremely practical and radical modern legislation. Not only so: the forensic scholasticism of America occasionally wins triumphs in the courts of law which have been denied to its English parent. The Pantheon of the American lawyer includes all the gods which are worshipped by his English colleagues. Between the portraits of the judges of the Supreme Court, and certain counsel, representing powerful corporations, who have been made ambassadors, dignified English Chief Justices and bewigged Lord Chancellors look down from the walls.

So it is with the Church. Almost all the great Protestant Churches of America had their rise in England. Although many religious communities are no longer dependent upon members of Anglo-Saxon origin, those Churches which are most influential socially—the American Episcopal Church and the Presbyterian Church—are closely related to English Church life. Considering the great importance of Church membership in American social life (for religion is not merely a private affair of mind and faith, but a public acknowledgment of one's proper place in society) this influence cannot be overestimated.

And although, apart from the university presidents, and a few professors of national celebrity, the university and high school teachers, whose spheres often overlap, do not hold a very high place in the public regard, it would yet be a mistake to underestimate their influence, since by means of the numerous colleges, training schools and public schools, it is brought to bear upon every small provincial town and every fair-sized village. These too were originally English-minded.

English, moreover, is the common speech of all ranks. In the course of time it not only welds into one unit all the

constituents of the polyglot American people: it also admits them all to the sources of English thought, while for those who know no other language it bars the way to the foreign world of thought, even though that world may have been the spiritual home of their immediate ancestors. This does not of course make Americans into Englishmen: for more than a century the majority of the Irish nation at home and in America have spoken chiefly or even exclusively English, but this has not made them Anglo-Saxon either in thought or feeling. It does, however, make English thought accessible, without readjustment, to the American people. On the one hand, this has led to England's acting for a long time as America's news centre in all matters which are not exclusively American, since the English news agency can be modified without much trouble or expense to suit American needs. On the other hand, it follows that English literature can be introduced into America without modification. It is a "ready for use" product, and in selling it only the dust-jacket need be adapted to American tastes. Foreign literature, on the contrary, is a half-manufactured product, which must be reconditioned in America. And the great American market, with its many opportunities, tempts young writers from England into the American newspaper world.

5. AMERICANIZATION

At one time "Anglicization" and "Americanization" seemed to bear the same meaning. New England civilized Western America through her sons and daughters, and Americanized the immigrants. In so doing she won them over to the English language and the English world of thought. The Puritans of New England tamed the savagery of the pioneer and prevented the immigrant from remaining a foreigner: to both, by means of church and school, they gave the manners and customs of New England. With the advent of a foreign-speaking mass immigration, and the rise in the social scale of the old

immigrants, who merged with their Anglo-Saxon neighbours, assimilation became more difficult, the more so as the new immigration consisted largely of Latin and Slav elements bound together by Roman Catholic tradition. The numerical strength of the population of purely English origin declined. On the one hand, it was not greatly increased by birth, while, on the other hand, it was scattered by migration over the whole country. Thousands and thousands of its sons and daughters turned towards the golden West. It was thus, in a sense, diluted. Strangers, frequently Catholic immigrants, took the place of those who went. The immigrant masses settled in the great cities of the States, and in the manufacturing districts of the East: in their swift advance they crowded out the old inhabitants, and increasingly destroyed the external forms of life that had characterized New England. Yet the social weight of the groups which were imbued with the Puritan tradition survived for a long time, even though their ranks were thinned. To them belonged the propertied classes who had a common interest in the continuance of the social and religious tradition, and assimilated those immigrants who acquired influence through wealth. The rural districts and the provincial towns remained faithful to the old ideas, having in most of the Eastern States retained their political control over the cities by an ingenious system of arranging the constituencies for the Legislative Assembly and the Senate. Even in the State of New York the "up-state" farmers have frequently secured a majority over the millions of the city population by the favourable distribution of the electoral districts. Only where the rural areas have been partly depopulated have the immigrants in the East succeeded in spreading to the farms beyond the cities and manufacturing-towns. By a strange freak of world-history, those very six States which make up New England (Massachusetts, Rhode Island, Connecticut, Vermont, New Hampshire and Maine) were left with only 2·8 millions of native Americans out of the 7·4 millions of their population; 3·9 millions were whites of foreign origin. The home of the New England race

has been captured by foreigners, while her sons and daughters have spread in a thin but tough layer over the face of the West.¹

The West was not colonized exclusively by New England. Amongst the pioneers the Ulster Scots, in whom the primitive Celtic strain was strangely blended with Scots Presbyterian Puritanism, were perhaps the most important element. The South, moreover, requiring new plantations for its slave-owners, contributed more than its quota—to say nothing of the immigration of non-Anglo-Saxon elements, such as the Germans of Pennsylvania. But in the end almost everywhere there was a strong infusion of the New England strain. Many of the pioneers came straight from New England; others settled first in the Middle West, later on to move farther westwards. Groups and individuals who had received their education in New England often followed the tracks of the earlier pioneers. And behind the pioneers came adventurers, peasants and day-labourers from all parts of the world, urged onwards to found homesteads for themselves upon the prairie.

The pioneer laid the real foundation of the American democracy. He had to hold his own in the struggle with a stern Nature and with the Indians. He welcomed anyone who would stand by him in that struggle, no matter whence he came or who he was. He was not by any means broad-minded: on the contrary, he required that everyone should be like himself. But his demand was justified, since the outward conditions of life automatically exacted the same attitude, and he who could not adapt himself to them must go to the wall. The pioneer insisted on a show of equality for everyone; he rebelled against every privilege—the privilege of power as well as the privileges of wealth, education or faith. He welcomed all those who were willing to co-operate under such conditions. The idea that America should be the home of the oppressed, which was applied by the Puritans to the like-minded alone, was soon

¹ Daniel Chauncey Brewer, *The Conquest of New England by the Immigrant*, p. 11.

expanded to cover all who fled from privilege in Europe and sought equality in the West.

Hence the alien immigrants were not merely tolerated: they were attracted for economic reasons. It was taken for granted that they would adapt themselves. Originally, even in New England, there was no race feeling, in the sense that membership of a given nation was the decisive factor for acceptance amongst the elect. That was determined by adherence to the faith. But it was instinctively felt that the newcomers would soon be assimilated. Hence America was for a long time extremely tolerant in respect of nationality. She let the immigrant live in his own way: even during the Great War there were in Pennsylvania settlements from the Palatinate in which the old people, whose fathers and grandfathers had been born in America, understood not a word of English, and spoke the German of the seventeenth and eighteenth centuries. But anybody who wished, in one way or another, to play a part in the life of the American community had to submit to assimilation. In contrast with the isolated and highly cultured immigrants, for whom their particular European civilization had a definite meaning, the majority of the immigrants belonged to the poorer classes, and had been only loosely related to such civilization, so that they did not lose much by their absorption into a new nation. They spoke the language of their mother-country in dialect; they had taken little part in its intellectual life. Assimilation was not so easy for them as for the immigrant Englishman, who had to change neither his language nor his customs: still, as they clung to no spiritual fatherland, they offered no great resistance to assimilation. Apart from Church affairs even the Lutherans and Roman Catholics fell easily into line.

American tolerance, moreover, was based upon the idea that the superiority of the Americanism of English origin was so self-evident that foreigners would automatically conform to it. America was the "melting-pot." Millions have indeed been melted down in it. This remoulding of millions of foreigners,

which has never been tackled systematically, has been accomplished by purely external means: through the schools, in the case of the children, and in the case of the adults through a rise in the social scale.

The American Churches are not simply religious communities whose members hold the same doctrinal views: everywhere they form social groups of higher or lower standing. It is of the greatest practical value to the ambitious immigrant to attach himself to one of these social groups.¹ Full Church membership is the gateway to success. Hence, except in the case of the Jews and the Catholics, adult immigrants melt with comparative ease, by way of the Church, into the matrix of American life, while their children are being re-minted at school. As the proverb says, "Clothes make the man"; the immigrant was put into standardized American clothes, and the thing seemed done. In the same way he was provided with a new language and the external habits of life.

6. HYPHENATED AMERICANS

The Great War showed that this Americanization had not gone very deep. President Wilson rightly recognized that the political unity of a nation composed of so many nationalities as the United States must inevitably be jeopardized if national animosities were allowed to rise. He had not had the power to keep the passions which were convulsing Europe from crossing the Atlantic. If they were to spread farther it was quite evident that nationalities which had hitherto lived harmoniously side by side, and were well on the way to fusion, would perforce be torn asunder and face each other as enemies. This peril was increased by the fact that each of these nationalities sprang from a European fatherland, to which it

¹ To uneducated Methodists, for instance, German Lutherans were not Christians. "'She is not a Christian girl,' my aunt protested. 'She is a Lutheran,' I said, 'they are Protestants.' 'But some of their services are in German. How can they be Christians?'" (Asbury, *Up from Methodism*, p. 29).

might appeal for support, if it found itself in the hopeless position of a permanent minority. It might be turned into a kind of "Irredenta," and attempt, as the auxiliary of its fatherland, to exert political influence in America. The vision of an America peopled by pro-English, pro-German and pro-Italian groups, each supported by its own mother-country, and endeavouring to advance her policy, was enough to fill an American patriot with horror.

This seemed to be most serious where the German-Americans were concerned. Even without the German-Austrians and the German-Swiss they constituted the numerically largest foreign element in the population of the United States. The generation born in America was in a fair way of being melted down when the process of fusion was stopped by the War. Many native-born German-Americans were led to remember their German origin by the abuse in the pro-Ally Press. Pride in the German successes increased their self-respect; what the agitation of decades on the part of the German National Association had been unable to bring about was accomplished by the events of a few weeks. Conscious of their newly-awakened unity, the Germans were no longer inclined to concede that undisputed precedence to the Anglo-Saxon element which they had formerly granted them so willingly. The deeds of their mother-country evoked in them a self-reliance to which they had hitherto been strangers. Events seemed to be shaping towards the emancipation of the German-Americans. This emancipation might easily appear as the beginning of a national disintegration of American unity, the prelude to an anti-Anglo-American Revolution.

The answer was a furious onslaught upon the "Hyphenated Americans," and on the German-Americans in particular, who were accused of setting the interests of their fatherland above those of their adopted country. This reproach cut them to the quick. They had always been regarded as the most trustworthy national element in the seething cauldron of the American Babel. They were flattered in election campaigns by the

candidates of both parties, and they had shared, on a moderate scale, in the smaller spoils of municipal and State politics. Their ancestors had come early to the country, and had played an honourable part in the early settlement and the first migration westward. The first Declaration of Independence was made by them, in Mecklenburg county; and they had been among the first opponents of slavery. They had thrown all their weight on the side of the Union when secession threatened to split their adopted country; their regiments had borne the brunt in many a decisive action. All this was wiped out, so it seemed to them, as if it never had been. They were now reproached with the deeds of the Hessian troops whom the English had brought over. They were treated as publicans and inebriates, though their beer gardens were the only places in the United States where the drinking was purely convivial, where intoxication was an accident and not an object. And all this happened at a time when they flatly refused the demands for active support made upon them by their brothers in Germany, who completely misunderstood their situation—demands which could not be reconciled with their loyalty to their new country; a loyalty which they were willing to maintain, but which did not include, in their opinion, the duty to be pro-Ally. Their position was difficult enough while the United States remained neutral; it became intolerable after the declaration of war. For now the agitation was no longer directed against all aliens who had not been fully Americanized, but against German-Americans only.

Unfair as this outbreak of passion appeared to the German-Americans, it was natural enough. It was not the result of pro-Ally sympathies merely, but of the sudden realization of an unpleasant fact: the outward fusion had only produced an outward Americanization. The melting-pot had failed to turn the mass of the immigrants into genuine Anglo-Americans. The leading elements, imbued with Anglo-Saxon sentiment, realized with alarm that the social structure on which their supremacy was based was tottering. While they had been spreading English civilization over the whole continent an

entirely new type of population had arisen which resembled neither the portrait of "Uncle Sam" nor that of the "Gentlemen of Virginia." Even the New England strain began to feel the results of mixing with other strata of the population. While it had been trying to anglicize the American West it had Americanized itself. On the far side of the Alleghenies arose the new type of the American nation, which does indeed speak the English tongue, remodelled after the American idiom, but recognizes none but American interests, and is beginning to develop an intellectual life which is purely American. Here, in the Middle West and the New West, arose the Americanism which was consciously opposed to political and cultural dependence upon Europe. In the great cities of the country, and especially in the East, where the nationalities are compressed into a small area, the great variegation of the European medley is everywhere perceptible; on the great plains of the Middle West, in the country districts as well as in the small towns, it is being quickly fused into a new unity. It sounds like a contradiction in terms, and is nevertheless true, that the Atlantic Coast States, whose social and economic structure has endured for centuries, and has long since lost the character of colonial immaturity, appear, by their racial composition, almost like the colonies of so many European mother-countries. In them, and especially in the great cities, there are settlements of Russian Jews, Germans, Irish and Italians, which long preserve the character of the mother-country. The Western States, on the other hand, whose social and economic structure everywhere continues to show traces of colonial origin, are American in national character. Their inhabitants have shaken off the traditions of the East and have discarded its English models. As at the close of the old colonial era the Coast States rebelled against the European mother-country, so the colonial West has revolted again and again from its parent country in the East.

The rising tide of foreign nationalities had long threatened to swamp the genuine Anglo-Saxons; they were becoming a

minority, which, by right of wealth, culture and social tenacity, was automatically stepping into the position of an aristocracy, confronting the new arrivals. It was an aristocracy without aristocratic traditions or conceptions. Its attitude to life and its mental capacities were those of a more or less cultured middle-class which was temporarily called upon to play the part of an aristocracy after it had deprived the gentlemen of the South of their accustomed leadership. The more ambitious members may have wished to play the part of a genuine aristocracy, emphasizing their descent from the Pilgrim Fathers as a claim to an exceptional position. The result was a passionate study of Anglo-Saxon pedigrees on the part of many a worthy Bostonian who was quite ready to smile at the snobbishness of his middle-class cousins in Victorian England. This was inspired by the conviction that a man belongs to the Chosen People by virtue of his proud descent from the Pilgrim Fathers. A more practical outcome was the endeavour to preserve intact every trait of the English national character, and present it to the great mixed population as something higher than themselves. The hatred cherished by New England for Old England, which after the American Revolution had formed part of the Republican tradition, and had derived new strength from England's attitude during the Civil War, had gradually disappeared with the shifting of the international balance of power and the democratization of England. A dislike of foreigners, and especially of Irishmen, had grown up amongst the business men and workers, the small upper stratum of New Englanders who suffered from their competition. This led them to sympathize in some degree with England, whose enemy the Irish were. The aversion felt by New England Puritanism for Roman Catholicism, and especially for the Roman Catholicism of its own near neighbours, was not without its influence. And the opposition to some of the new social ideas, partly tinged with Socialism, which had been conceived in Germany, and which were advocated mainly by the foreign elements in America, gave rise to a glorification of that individualism in

industrial and social affairs which had emerged in the England of Queen Victoria.

It was an instinct of social self-preservation that led this American aristocracy, which only fifty years earlier had so bitterly hated England for favouring the Confederate cause, more and more to cultivate English sentiments. And it was quite natural that these sentiments should be powerfully reinforced during the War.

7. COMPULSORY AMERICANIZATION

The result was an attempt forcibly to make all foreigners Englishmen in speech and Americans in spirit. Voluntary fusion having failed, compulsory fusion was attempted. By amalgamation and fusion the Anglo-Saxon note was to be made so predominant that Anglicizing and Americanizing would seem to be identical. These attempts found expression after the War in the restriction of immigration, which sought to establish, amongst the people of the United States, the social supremacy of the Nordic races by the exclusion of undesirable elements; these no longer included the Germans, but the Slavs and Southern Europeans, the Bolsheviks and Catholics.

The opposition of the purely Anglo-Saxon population, or at least of the population which believes itself to be purely Anglo-Saxon, to racial admixture, and their failure to draw a distinction between Anglicization and Americanization, was most clearly shown in the resurrection of the Ku-Klux-Klan.

The modern Ku-Klux-Klan was artificially linked with the external forms and traditions of the Ku-Klux-Klan of the period of reconstruction following the Civil War. The conquered South had been deprived of its political rights and handed over to the rule of jobbing politicians from the North, the so-called "carpet-baggers." These "carpet-baggers" endeavoured to set up a system of coercion by organizing the negroes who had been newly liberated and endowed with the franchise. The former white masters of the South, who were thus put in the

power of their former slaves, banded themselves together against this humiliation by forming secret societies, and broke the open terror of a slow-witted majority by the secret terror of a masked minority. The Klan was originally a social union of young men who tried to banish boredom by founding a club. It soon became a powerful social movement with a secret ritual. The modern Klan is not the refuge of a threatened minority of gentlemen, for no such minority exists. It is, by its very nature, a movement of the lower middle-class of Anglo-Saxon descent against all that is alien. Everything new and unaccustomed counts as alien to an anxious group of Philistines who have a dim perception of the unknown forces that threaten to weaken their position. Now it is the Roman Church, whose power in their own midst they had not hitherto suspected; now it is the negroes who are streaming northwards, known to them indeed as a race, but now for the first time invading their lives as active and unwelcome neighbours; now it is the Socialistic ideas which seem to be smuggled in by radical immigrants with a low European standard of life; now it is the schemes for the pacification of Europe which international pacifists are attempting to hatch at America's expense. To them all these things are novel, unusual and un-American. Since the maintenance of the "American" way of life is the only guarantee of one's own safety, they must be put down, if necessary, by violence. A new outbreak of that fanatical passion for equality and similarity which formed the basic conception of the New England theocracy insists on complete fusion and complete adaptation, or "hundred-per-cent. Americanism." Like many racial movements in Europe, the demand for "hundred-per-cent. Americanism" so loudly voiced by the Ku-Klux-Klan and other bodies is not the outcome of self-confident vigour, but the expression of political nervousness, which mistakes noisy clamour for strength. It is the clearest proof of the fact that the population of the United States has long ceased to be exclusively Anglo-Saxon. It has become a mixed nation, in which the English note is still outwardly

predominant. As it compels all immigrants to relinquish the customs they brought with them from their mother-country, it is preventing the growth or maintenance of separate nationalities, and is becoming the American nation, a unique composite, containing contributions from many peoples.

8. THE NEW NATION

What will the end be? The process of Americanization will continue automatically. The proportion of those immigrants who can be absorbed only with difficulty has been greatly reduced. There will be no reinforcements for the ghettos; they will steadily continue to shrink. The standardizing process will be further developed by the school, the church and the external habits of life. It is greatly encouraged by mass production. This compels all workers to obey the rules of a rigid mechanical process of labour, in which there is no room for individual or racial particularities. The machine, especially the "fool-proof" machine, demands the same handling from everyone who serves it. Its product is the same, no matter whether it be tended by Anglo-Saxons, Jews, Irishmen or negroes. For a little while longer the Indians in the Pueblos of New Mexico may produce their pottery and woven fabrics in their own homes, in accordance with the traditions of their forefathers. But if the demand for these should become so great as to promise enough work for a machine, some "cute" inventor of New England stock will contrive one, and will have it tended by workers of the most varied nationalities. The rate of production may differ when different races are employed: the product itself will exhibit the qualities of the machine, and not of the workman.

Still more marked is the increasing uniformity in consumption and the standardizing of wants. Even the Indians and the negroes are no longer able to evade it, once they begin to take any part in American life and industry. The negro does not turn white when he gets his clothes from one of the great

department-stores which supply ready-made goods. But if he conforms in his appearance and daily habits to the external forms imposed by Western civilization, sooner or later his inner life is bound to be affected. An educated American negro is often much more akin in manner, speech and thought to a white American than is the American's English cousin.

But this assimilation can never be complete. Negroes will remain negroes, so long as complete miscegenation has not occurred. The Mexican may be counted a white man—though not a European—yet he does not therefore cease to be a Mexican. There are, moreover, certain European types which are only partially amenable to fusion. Differences of speech alone are soon obliterated when no reinforcements arrive from the mother-country: even the French Canadians in New England very soon cease to be Frenchmen, although they are backed by the mighty hinterland of Quebec. But they do not cease to remain Catholics. For the religious frontier is still hard to cross. And it implies a considerable impediment to fusion. The crucibles in which fusion must be effected are supplied by the Protestant denominations of Anglo-Saxon origin. The Non-conformist English middle-class produced the elements which are dominant in America. The America of these Protestant congregations absorbs Lutherans and Zwinglians without difficulty, while it loses members to the Presbyterians and Episcopalians, but that is only an internal shifting due to social ambition, by which the English note does not suffer, but is rather more strongly emphasized—the note of the Scots on the one hand, and on the other hand the English of aristocratic traditions. But these Churches cannot absorb the Catholics, more especially since the Puritan “twilight of the gods” has set in. Unbelieving Irishmen may chance to become “Scotsmen” in the course of their social ascent; the mass of the Catholics remain spiritually aloof. And the same holds good of most of the Jews, since social anti-Semitism has become fashionable, so that the Jewish multitudes—and New York numbers nearly two million Jews—have been shut up together in a social and

religious ghetto. Where complete assimilation is desired the foreigner must be offered the prospect of complete equality. Where this is lacking one may level and approximate, but never fuse.

Catholic Americans, like Black Americans and Jewish Americans, are trebly underlined Americans when compared with their kinsmen in other countries. Yet indisputably they break what might become the monotonous uniformity of the American people. The choir of varied races, each perpetuating its national characteristics, which imperial England has achieved in her world-empire, where Irish, French and Boers speak their mother tongue, and may even make it the official language, will never be heard in the United States. They fear the growth of European nationalities upon American soil, and they do not trust their ability, if they leave these fragments of nationalities in the enjoyment of their own civilizations, to fuse them together into a common American people. An old-established Church of universal standing, which is sure of itself, and has a long history behind it, can tolerate Nonconformists. But Nonconformists who have gained the upper hand are bound to insist on conformity. While she was indifferent America seemed to be a tolerant nation; she is no longer tolerant, since she has ceased to be indifferent.

Nevertheless, the attempt to melt down and assimilate the foreign elements has not been without influence upon "Americanism." Even where there is no direct physical mingling, the various forms of a common municipal and national life are not without their effect. Though a physical mixture is fundamentally different from a chemical compound, it is not the same thing as a simple juxtaposition of separate parts. The individual grains of sand may remain unchanged when black sand is mixed with white, but the general appearance of the heap of sand will be altered. The manner and extent of the mixture will clearly appear in it.

The effects of admixture are far-reaching. It is impossible to fuse and assimilate without affecting both elements in the

process. The immigrants have exercised a revolutionary influence upon American life. Their souls, and their view of life, have not undergone conversion to American Puritanism. America has not been able to destroy their life-force. Today the rhythm of the negro dances dominates the movements of the younger generation of Puritan America. Old negro folk-songs and weird Hebrew melodies inspire American composers. Germans, Irishmen, Italians and Russian Jews have given the American theatre the sensual force which Puritanism sought to destroy. From the prairies and deserts of the South-West, from the life of the Indians and Mexicans, a rhythm very different from its own has penetrated the Anglo-American spirit. And under the palms of Southern California the New England that was once so full of restless energy is beginning in her old age to learn the art of *dolce far niente*.

Adaptation and assimilation, mixing and fusing, will doubtless produce a type which Europe will recognize as American, no matter of what ingredients it is composed. It will be compounded from various stocks, and it will exhibit very many different regional nuances.

America has never been regionally uniform. The gentlemen of the South were sharply differentiated from the middle-class mechanics and peasants of the North, and from the Dutch merchant-princes of New York. One can imagine no sharper contrast than that between the slave-owner of the South and the northern Yankee. The wholesale migrations which for a time uprooted almost the entire population seemed to obliterate these regional distinctions. But this same territorial expansion created new possibilities of regional diversity: it spread over districts which not only possessed a regional character of their own, but supported populations which had absorbed this regional character into their individual social being. The Yankee pioneer destroyed a great deal, and introduced many innovations. But in the end landscape and climate remained pretty much as Nature had made them.

For the first time since the West was opened up this great

mass-movement has come to a standstill. It can continue, within modest limits, only on the far side of the Canadian frontier. Thus boundaries have been set to the continual uprooting of American mankind. For the first time in modern American history men are enabled to become sedentary. They are growing to be one with the soil, as in the past the New Englanders were bound up with their poverty-stricken land. And as the vast continent, throughout its endless extent, everywhere offers men varied conditions of living, the fact of their taking root will, in the course of a few generations, produce regional types, which will be American as to their keynote, but will perform countless variations in the uniform American key.

The American nation is neither a colonial replica of the British nation as represented by its Nonconformist middle-classes, nor a simple mixture of European constituents.¹ It is something new and diversified, whose ultimate development no one can as yet foresee.

¹ "For more than a century prior to 1930 the white race was growing faster than the negro and until 1920 constituted a steadily increasing proportion of the nation's population. From 1920 to 1930, however, the coloured races as a whole (including the Mexican) increased somewhat faster than the white race."—*Recent Social Trends*, p. 56.

CHAPTER III

THE STATE

I. THE STATES

The United States of America are a Federal Union, consisting of forty-eight States. Each of the thirteen States which formed the original Union after the War of Independence has been settled in a different way, and has produced a more or less individual type of social structure.

New York and the Southern States were aristocratic bodies, where a landed aristocracy either leased the land to tenants or cultivated it in great plantations with negro slaves. New England was a country of small independent farmers, from whom a class of wealthy merchants emerged as time went on.

The new Western States were originally colonized by the inhabitants of the old States, who took the land from the Indians; these pioneers were followed by a more peaceful rearguard of immigrants from all parts of the world. They were governed for a time as Territories, or Federal colonies. As the population increased they were made into member States, with their own constitutions, and with boundaries which in many cases seem to have been cut out of the map with scissors and ruler. In the West the Union preceded the State, apart from the territories taken from Mexico; hence the State boundaries were derived from the sovereignty of the Union.

The constitution of a new State was copied at first from the established constitution of an older State—for example, of New York; the new-fangled ideas of the radical West were incorporated at a later date.

Each individual State cultivates an active and often much-advertised life of its own within its boundaries. Local patriotism has a weakness for rowdy celebrations, when the citizens of the State assemble, to sound its praises at the expense of other

States. During Presidential elections a great deal of capital is made out of this local patriotism. Every nerve is strained to secure as candidate a politician from one of the great States of the Middle West, where the issue between the two parties is doubtful, in the hope that this concession to local patriotism may win its votes and decide the day.

But the people who sing the praises of their "home State" most loudly may have entered it as immigrants only a few years before. They are quite prepared, if business makes it advisable, to exchange this earthly Paradise for a new Dorado lying a few hundred miles farther West, and with their removal to transfer their old enthusiastic allegiance undiminished to the new State. There are of course districts, such as the old South, and the rural parts of New England, where large groups of people, not isolated individuals only, have remained upon lands inherited from their forefathers. But it is precisely here that ties are at present being loosened by internal migration. Farm after farm in New England has been deserted by its inhabitants, who have departed for the wealthy West. And since the Great War the negroes of the South, who until then had been the most stationary element of the population, have been uprooted by the great demand for their labour, and sucked into the great vortex of migration. At the same time the growth of industry has been drawing the white population from the highland valleys of the South, where they had been settled since the first colonization.

If the American had not hitherto been a restless wanderer, he would have been a regionalist of the worst kind. As it is, he pursues his business today in Massachusetts, tomorrow in Michigan, the next day in Kansas, and the following week on the Pacific Coast; he spends a few years in each State, becoming the citizen of each in turn. As long as he lives in Wisconsin he is an enthusiastic, not to say fanatical, citizen of that State, whose coat-of-arms is the Badger; just as three years later, in California, he overflows with lyrical dithyrambs of his new State, the land of the Golden Poppy. During such wanderings

he naturally has no time to adapt himself in appearance or way of living to the characteristics of the country of which he is only beginning to become an inhabitant. But once he has taken root he quickly becomes regionalized. In the State universities regionalism is systematically cultivated.

Before the Civil War there was a real inland frontier which divided the free North from the slave-holding South. The Mason and Dixon line (1767) and the later boundary agreed upon in the Missouri Compromise (1819) marked the great cleavage which split the country for almost a century. To the south of this line the system of slavery prevailed: northwards lay the land of personal freedom. The Northern States, while differing widely one from another, were alike in this, that their constitutions, which had been founded on democratic principles, were seeking more and more to approximate to the realization of these principles. The Southern States, which were afterwards included in the Confederation, had aristocratic constitutions. All power lay in the hands of the landed white aristocracy. The Civil War wiped out this dividing line. It forced upon the South the legal system of the North, which was one of formal social equality. The Fifteenth Amendment to the Constitution gave the negro the vote and complete equality of status, but it has naturally failed to abolish the fact of social inequality due to physical difference of race. The negro in the South enjoys equal rights on paper only. He is quite safe as long as he neither claims them nor tries to exercise them. Few negroes in the South dare to vote, though in the big cities of the South negro politicians, most of them belonging to the Republican Party, whose fathers gave them liberty, are playing a modest part.

Each of the forty-eight States is ruled by a Governor. In most cases he is elected, by universal suffrage, every second year. There is a Senate and a Legislative Assembly, both chosen by universal suffrage. Each of the States has its own courts of justice: in many of them the judges are elected on the general party ticket, and the general elections, as a rule, take place every second year. The States have few permanent civil servants

appointed for life, and promoted according to merit and seniority, who have proved their capacity by competitive examination. The mass of their civil servants are elected, like most of the judges, or nominated by the governor from among his followers. Party affiliation is their chief merit. If the ruling party is beaten the officials who belong to it lose their posts; they are replaced by members of the victorious opposition. The Americans act on the assumption that "the voice of the People is the voice of God." This leads to the further article of faith: when God gives a man an office, He gives him understanding as well. Their political conceptions were born of religious discussions: the members of a free Church, who were opposed, in spiritual life, to the establishment of a qualified and permanently appointed priesthood—which was, in their eyes, a kind of spiritual bureaucracy—emphasize the standpoint of the laity and apply the same principle to secular matters.

Within this framework, which is everywhere the same, the political life of the individual States shows considerable variations. The old States of the East and South have a certain conservative tradition. The Middle West, and more particularly the Far West, have often been inclined to make radical political experiments. In the East and South the land-owning population, the farmers and planters, constitute a stronghold of conservative influences, as opposed to the radical sentiments of the mixed immigrant population of the big towns. In the West, on the other hand—in the wheat-belt—the farmers have been the restless element: they have often enough made common cause with the wage-earners in radical movements against capital.

The States differ greatly in size, wealth and population. Rhode Island, with its 1,067 square miles, has (1930) 687,497 inhabitants, and a density of population of 644·3 to the square mile. Texas covers 262,400 square miles and has 5·825 million inhabitants; its density of population is 22·2 to the square mile. New York numbers 12·6 millions, or 264·2 to the square mile. Nevada has 91,058 inhabitants and a density of population of only 0·8.

2. THE UNION

In spite of such discrepancies, each of the forty-eight States is represented in the United States Senate by two senators. The Senate was originally conceived as a State house. Its ninety-six members hold equal rank as State representatives, although the senators from Nevada represent not one-hundredth part of the electorate which the senators from New York have behind them.

The idea that the United States were a union of States holding equal rights was expressed in the fact that the senator represented a "commonwealth," with its own territory and its own sovereignty. The congressman, on the other hand, the member of the House of Representatives, represented the electors. Hence the senators were originally elected by the legislative assemblies of the States. Only since 1913 have all the senators been elected directly by universal suffrage. This is not merely an evidence of the advance of democratic principles; it shows, rather, that even in the United States the territorial basis of political representation is slowly disappearing, and is being replaced by the personal. The term of service of the senators is six years: but every second year one-third of their number have to stand for re-election.

The Senate and the House of Representatives together form Congress, the legislative branch of the United States Constitution. The Senate, in addition to its legislative tasks, exercises judicial functions as the Supreme Court of Justice when the House of Representatives has lodged an impeachment against the President. Moreover, all Presidential nominations to places must receive its approval; should it reject them they have no validity. All treaties with foreign States must be submitted to it for ratification. A two-thirds majority of the senators present is required for this purpose.

The voting strength of the individual States makes itself felt in the House of Representatives and at the Presidential elections. The number of seats in the House of Representatives

is adjusted at regular intervals to the growth of the population. After each census the number of representatives is fixed afresh, and a new quota is allotted to each State. The large States are composed of many electoral districts, each of which elects a congressman. The electoral franchise is settled by State law, but it must not run counter to Federal law, which confers equality of political rights.¹ The number of representatives at present stands at 435. The representative, or congressman, must reside in his constituency; he is, as a plain matter of fact, regarded as a representative of local interests. As the senator's business is to secure as many advantages as possible for his State, so the congressman tries to obtain jobs and funds for his district; he is especially keen on securing for it a share of the Federal Government's public works—of the so-called "pork-barrel." Hitherto the conception of Congress as a national association of the representatives of local territorial interests has prevailed over the notion that it is a national union of vocational interests. Districts as such are directly represented by their local congressmen; the vocational groups exercise pressure upon them, indirectly, by maintaining a lobbyist, a paid agent stationed in Washington, whose job it is to maintain good relations with Congress, the lobby being a recognized feature of the political life of the American capital. Elections to the House of Representatives take place every two years.

The Executive is in the hands of the President, so far as he is not controlled by the Senate. The President is elected by indirect vote every fourth year, on the first Tuesday after the first Monday in November. Since the Nineteenth Amendment

¹ By the provisions of the Fourteenth Amendment of the Constitution, passed in 1868, political rights are matters of Federal concern, and under the protection of the Union Government. By the provisions of the Amendment No. XV, enacted in 1870, the United States and the individual States were forbidden to debar any citizen from the exercise of his vote on account of race, colour, or previous slavery. A detailed description of the elaborate evasions of these provisions is given by Paul Lewinson, *Race, Class and Party*, Oxford University Press, 1932.

of 1920 granted votes to women adult suffrage has been universal. The election is held by States. Each State is allotted a fixed number of electors, based on the census figures, who are chosen by a simple majority. The chosen electors meet together on an appointed day, and elect the President by a majority of votes. As a matter of form the election is indirect, but as a matter of fact it is direct, for each elector is bound beforehand to one Presidential candidate. The voting for the electors is therefore equivalent to voting for the President. The time is long past when the electors exercised any sort of free decision. They are expected to vote for their candidate; if they dared to use their own untrammelled selective judgment this would be called "bolting," and considered a dreadful political crime. Hence the November elections, when the electors are chosen, are called the "Presidential" elections. They are accompanied by tremendous excitement, while the actual choosing of the President by the vote of these electors has become a pure formality, and scarcely arouses any interest. One of the consequences of this indirect system is that a candidate may become President by securing a majority of the electors only, and not by getting a majority of the votes given throughout the entire country. The candidate may win who can secure the great States, even by a narrow majority, for he gets all their electoral votes—the State of New York has today forty-five votes—while his opponent may control a number of small States which have fewer electors, chosen by a very much larger majority; he will be defeated, though he may have obtained a majority of all the votes recorded in the country.

The President exercises his executive power with the help of a Cabinet, the members of which he has selected. They are never members of Congress. They are not responsible to Congress and they cannot be summoned to appear before it, nor be overthrown by it. Their nomination, however, must be confirmed by the Senate.

The fundamental idea of the American Constitution was to balance the executive and legislative powers carefully against

each other, in order to avoid despotism. Hence next to the President and Congress stands the Supreme Court of Justice, which since 1803 has had the power to decide whether a legislative measure is constitutional or not. Unconstitutional acts cannot become law. Since the power to declare a State or Federal law invalid, as violating the Constitution of the United States, resides with nine judges appointed for life to the Supreme Court of Justice, American politics have often gyrated around this court. Legislation pronounced unconstitutional is void and could only be made lawful by a change in the Constitution. Changes in the Constitution can be effected only by way of constitutional amendments. These must be passed in each House of Congress by a two-thirds majority; they must, moreover, be approved by three-fourths of the States Legislatures: that is, by at least thirty-six States. This rule makes changes in the Constitution very difficult and the power of the Supreme Court very great. Altogether only nineteen such amendments have been passed, including the eighteenth, which introduced prohibition. This may have been an infringement of certain fundamental principles of the Constitution, but the pressure of public opinion prevented the Supreme Court of Justice from raising an objection to it.

3. THE PRESIDENT

To many people the President of the United States appears to be endowed with dictatorial powers; he is supposed to be able and willing to sway both Houses of Congress to his will. The American system of direct democracy is contrasted, much to its advantage, with the system of indirect (Parliamentary) democracy which is prevalent in Western Europe.

American democracy is indeed fundamentally different from the Parliamentary democracy of Western Europe. In the American Constitution the English eighteenth-century theory of Parliament, as Montesquieu construed it for the world, has been logically worked out in the separation of the three powers—

Executive (President), Legislative (Congress) and Judicial (Supreme Court). Dreading the return to a monarchical Constitution, the Fathers of the Constitution devised a well-thought-out system of checks, limiting each of the three powers.

The political evolution of the United States has from time to time upset this balance, though the Constitution has been carefully kept intact. The centre of political life has shifted completely from the legislative bodies, the Senate and the House of Representatives, to the President, when the President has had a mind to impress the stamp of his own personality upon them. In foreign politics, especially in war time, this was unavoidable, as was clearly demonstrated by Lincoln's attitude during the Civil War. It happened the first time, in ordinary circumstances, during the presidency of Andrew Jackson, the idol of the frontiersman's democracy. Grover Cleveland, a Democrat, and Theodore Roosevelt, a Republican, revived this tradition at a later date. Woodrow Wilson deliberately made it the keystone of his political conceptions. Long before his election as President he had expressed his theory in the following words:

"He [the President] is the party nominee, and the only party nominee for whom the whole nation votes. Members of the House and Senate are representatives of localities, are voted only by sections of voters. . . . No one else represents the people as a whole, exercising a national choice. . . . He can dominate his party by being spokesman for the real sentiment and purpose of the country. . . .

"His is the only national voice in affairs. Let him once win the admiration and confidence of the country, and no other single force can withstand him, no combination of forces will easily overpower him. . . . He is the representative of no constituency, but of the whole people."¹

The will of the American nation is transformed into action not by national representative assemblies, as in democratic

¹ Woodrow Wilson, *Constitutional Government in the United States*, 1908, pp. 65, 68.

Western Europe, but by the person of the President. The President who correctly interprets this will, and has the courage to act in accordance with it, need pay but qualified attention to the grouping of parties in Congress. However restricted the legal authority may be which he can wield against them, his political position is unconquerable when he really embodies the will of the people. For in him the sovereignty of the whole nation is embodied, while the majority of Congress represents at best the sum of local majorities, determined by local interests.

This theory of the dictatorship of the President is, however, acted upon only in exceptional cases. The managers of the party machine, who attend to the selection of candidates, seldom try to secure a strong personality. As a rule, they aim at putting at the head of the ticket a man who does not want to lead the party, and compel it to his will, but one who has shown himself prepared to carry out the will of the party in an accommodating spirit. The few really great Presidents—during his term of office every President is presented as a great man to the public—have for the most part been nominated or elected against the will of the party managers. The Democrat, Grover Cleveland, was elected by the votes of the Republicans. Theodore Roosevelt had been shelved by his election to the Vice-Presidency, and got rid of as a serious candidate to the Presidency; nothing but the murder of President McKinley brought him to the White House. Woodrow Wilson was rather forced on his party by the astute political wisdom of Colonel House; he could never have been elected but for the split in the Republican party produced by Roosevelt. The Presidential election of 1928 was the first occasion for a long time on which each party nominated a candidate who seemed to have shown undisputed qualities as a leader. Neither party liked it very much. A plain man, who can pour forth platitudes and win all hearts by his friendly smiles, is always preferred to a man of real weight. Though politicians may have to bow to public opinion, congressmen, and certainly senators, are nearly always in a position so to

limit the will of the President, even though he belongs to their own party, that little remains of the heaven-sent dictator as painted by anti-Parliamentarian literature. Even a strong-willed President may be exhausted by endless conflicts with a Congress to which he is not responsible, and which is itself only indirectly responsible to the country, since none of its members sit in the Cabinet. The President cannot force his will upon the two Houses, and his veto can only delay their legislation for a time; he cannot dissolve them. All he can do is to appeal to the country over their heads, by means of a Presidential Message, which he himself has read aloud in Congress only in exceptional cases. Against their will he cannot even appoint the members of his own Cabinet and the officials whom he employs as confidential instruments, for his nominations are dependent upon the consent of the Senate. As this consent may be preceded by an endless discussion, in which the President's confidential political intentions may be disclosed, debated and disparaged, Presidents have been induced to set up an "unofficial personal representation." In place of an ambassador or a minister, whose nomination must be approved by the Senate, he sends a personal agent who has no official standing, but may draw his stipend from funds at the disposal of the President. This representative has the ear of the President; he speaks with his voice. But whether this voice is the voice of the American people does not become clear until later, during the debates in the Senate, when the President's policy is set down in the form of legally binding treaties. Even the employment of such a distinguished agent as Colonel House, on whom President Wilson could rely, was not able to save the President from defeat in the Senate, although for a time, as War President, he had held unlimited power in his hands.

On the other hand, Congress can neither overthrow nor depose the President. It can at most impeach him. It can, after a great expenditure of time, overrule his veto. But it cannot even prevent his re-election for a second term of office, if the President is a good candidate who stands well in public opinion,

or is able to make use of his Presidential power and authority to back up his candidature.

Hence, there is in normal times no Government weaker than that of the United States, since only the President is truly "responsible" in the political sense of the word; his own political fate is much less intimately bound up with that of the senators and the congressmen of his party than that of a European Prime Minister with that of his followers in Parliament. It is not enough for him to have a majority in both Houses of Congress. He must not only preserve this majority, he must keep it continuously docile. Moreover, as new elections take place every two years, he can never look forward to more than a brief period during which he is not hampered by electoral considerations, frequently of a very local nature. If he is unwilling simply to submit to the majorities in Congress, he must always keep his ear to the ground, to learn whether public opinion will eventually support him or not against his own party in Congress, and especially in the Senate. For the senators, as representatives of the States, consider themselves co-sovereigns with the President—a claim in which there was substantial justice half a century ago—and delight in baiting the President. He may sometimes consider himself fortunate when his party loses the majority in both Houses, for though this may paralyse his activities he may throw the blame on the opposition. Political sterility due to his opponents is less dangerous to the President than the emasculation of his plans by his own majority.

America is free from the ever-recurring Parliamentary crises of government which are familiar on the European continent, but she suffers often enough from a permanent political deadlock, when no decision can be taken, because the conflict between the two cleverly-balanced constitutional powers, the President and the Senate with the House of Representatives, holds it up for months. The Government is absolutely safe; it can never be turned out, but it may be quite unable to accomplish anything. The Opposition, since it cannot take the

place of the Government after defeating it, is not confronted or restricted by any kind of uncomfortable responsibility. The game played by the senators, singly or in groups, to hinder the passing of measures when they are unable to get their own proposals through the House, is much worse than any Parliamentary obstruction in Europe; it is due to the irresponsible position which enables the Houses to call check to the President.

The American system was devised to obviate a powerful autocracy; it has performed this function in an exemplary manner. It works poorly during a big crisis, when uncompromising, quick and decisive action is needed. At such moments a strong President can insist on Congress granting him dictatorial powers during a limited period of emergency. Congress is sometimes willing enough to do so, to avoid direct responsibility, for both parties are made up of antagonistic economic groups. They represent a kind of loose federation, whose connecting ties are not strong enough to withstand the strain of a serious crisis. Paralysis on the one hand, and party disruption on the other, can only be avoided by handing over power and responsibility to the President. Social reformers have often dreamed of a Super-President who might lay the foundations of a new social order during such a period of stress.¹

4. DEMOCRACY

Since the United States a century and a half ago proclaimed the principles of democracy in the Declaration of Independence, and incorporated them, very much diluted, in the Constitution, they have been an object of pilgrimage for all who wish to study the mighty effort of a whole nation engaged in self-government on a great scale. They have not only greeted the political refugees of Europe with the promise of equality and freedom, but they have also shown the political thinker an object-lesson of freedom in equality. To this day the foundation

¹ *Philip Dru, Administrator*, 1912. The author of this Utopia which President Wilson and President Franklin Roosevelt have tried, or are trying, to materialize, is Colonel E. M. House.

of American democracy is the interpretation of the Rights of Man, which are described as "incontrovertible truths" in the Declaration of Independence of July 4, 1776: "That all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed."

In contrast to social life in Europe, the social life of America is not hampered by tradition. It is true that in the East and the South it has shown leanings towards a feudal agrarian organization. In the beginning, in the Eastern States, industry was often organized as the small handicrafts were in Europe. The merchant-princes of New York and New England formed a wealthy upper-class, which was not originally averse to a system of privileges. The American Revolution did not entirely do away with this attitude. However, in the theory of universal democracy it created an ideal (which was certainly very slow to be realized), and it was evident that a society based on caste was a flat denial of the glorious legend which was gradually built up out of all the events of the Revolution. A little later the opening up of the West made it possible to realize these democratic ideals, in the sphere of social economics, on a scale which the most radical theorist of the Revolution would scarcely have thought conceivable. This new West, trained by the educational work of New England in the abstract principles of freedom, became the cradle of American Radicalism. Woman suffrage, the nomination of candidates in direct primaries, and the recall of appointees (judges as well as political officers) were all conceived in the West, and propounded thence with passionate enthusiasm, to correct "the shortcomings of democracy by more democracy." Of the leaders of American democracy Bryan and La Follette were born in the Middle West: Theodore Roosevelt derived his romance and his popularity from the eastern slopes of the Rockies: Wilson owed his political ideas to Oregon, and his re-election to California.

Hence the origin of American democracy is a twofold one: spiritually it is based on the conviction that all men possess souls of equal value, to preserve which is the highest task in life. And it is materially guaranteed by the possibility of winning economic independence, as the West knew it, where outward circumstances made all men equal.

Revolutions in other countries have interrupted the even flow of national life and altered its course. But the American Revolution, if one looks beyond the isolated events which led up to it, was the separation of a new Commonwealth from an old one, the complete rupture of an existing association of nations. It was a revolution which first made the United States an independent community. Revolution, as a deliberate break with the past, not as a chance outbreak, seems therefore to be a legitimate method of creating a Commonwealth. Tradition, on the other hand, the upholder of outworn institutions, is regarded as mere sentimentality. The Englishman who tells his American guest with false modesty that it is quite easy to keep the lawn like velvet, it must only be regularly rolled for a few centuries, represents the European conception of society. On the other hand, when Henry Ford asserts that "history is bunk" he does not strikingly enrich our knowledge of the philosophy of history, but he affords us the deepest insight into the nature of American political life.

The birth of the American Commonwealth was due to that Revolution which has been crowned with a scintillating halo by sedulous pens. *The popular conception of Revolution in America is a conception of something creative and not of something destructive.* Quite recently, since the rise of Bolshevism, the public have become rather nervous. But this nervousness is directed only against the anti-capitalist Bolshevik Revolution. Within the limits of the capitalist society the new, which has never existed before, is regarded as something creative, in tune with the great revolutionary tradition, and as such is hailed with joy by the American people. So long as there is no desire to overturn the bourgeois commonwealth which has its charter

in the American Constitution, all the active forces within it that make for new life must be welcomed and promoted. As young America merely suffers the old generation, considering it to be hopelessly out of date, because the young people have had a better and more practical education, so the nation as a whole thinks of the past as inferior, and long since outstripped by the present, while the future will put it completely in the shade.

In America there is no "good old time" in the European sense of the word. Only in the South there has been a sentimental looking backwards since practical matter-of-fact Yankeedom gained the ascendancy. And a similar tendency, visible today in New England, is due to the fact that the New England stock has in its own eyes risen socially to the position of an aristocracy, which is threatened in many ways by the later immigrants. It is turning its gaze backward to its original sources, priding itself on the traditions derived from those sources, and renouncing the principle of the creative Revolution, which was so long its chief glory.

Traditions, on the contrary, are still forces in the countries of Europe, in England as well as in France or Germany. Not only the economic institutions of the past, such as the manorial estate, or the guild, or the cartel, which, in contrast to the trust, has preserved some of the features of a guild, have been handed down from the past: with all their business ability and activity, in respect of their social life the majority of the propertied classes in Europe are greatly influenced by the traditions of an earlier age. Moreover, to a very large stratum of the population the new is suspect because it is new, whereas in America its very novelty gives it a chance, however untried it may be. In the United States a young man will without hesitation be placed in a leading position: the risk is willingly run that youth may first learn by experience. The danger to be feared is that the old man, because of his experience, no longer will or can learn anything new. This whole attitude has been notably strengthened by immigration: for though the immigrants in many cases are slow to adapt themselves mentally,

and strive in many departments of life to uphold their European traditions, yet the very fact that they have emigrated proves their earnest desire to cast off old restraints, and their ambition to climb the social ladder. Hence, up to the present there has been little safeguarding in the domestic policy of America for the backward, the weak and the incapable. Even the protective tariffs are defended on the plea that America's high standard of living must be shielded from the squalid competition of Europe's down-and-outs. A wave of sentimentality and pity for women and children will often enough run over the country, but when it has spent its force the granite rocks of American individualism are seen to be standing unshaken. Twelve million unemployed may be tramping the streets, but so far the provision of State unemployment insurance has been considered un-American. Vested interests count for little. Slavery was abolished without compensation, and the breweries and distilleries were destroyed, in a country which makes property a god, without indemnifying their owners. It is, on the other hand, an essentially European point of view to assume that an existing institution has a right to go on existing, not because it serves the needs of today, but because it has existed for so long. In America you have no right to exist if you cannot keep up with the rest.

But over and above this glorification of the revolutionary because it is revolutionary, rational purpose and conscious design dominate the American mind. A nation whose ancestors forsook their old homes with the deliberate intention of founding a new society habitually indulges in social planning on extensive scale. Everywhere the Americans are trying to replace a time-made state of affairs by a man-made order of things. In the realm of applied science this spirit of purposeful planning is common to the whole modern world. But only in America has it governed social life in its entirety from the beginning. In pursuance of a religious idea, the Pilgrim Fathers, not content with the State as it was, sought to found a perfect State in the New World after their own plans. Unlike the dreamers and

philosophers who succeed on paper only, they realized this desired Commonwealth in actual life. They were, so to speak, the founders of what might be called "social engineering." In real life their Commonwealth has diverged from the demands of their theory. But in its fundamental features it was *planned* and *intended*. Their children have gone on planning. They have learnt to grow oranges without pips and prickly pears without thorns; they make knives which cut, but have no sharp edge. Their greatest practical achievement, their modern architecture, in some ways shows the same combination of bold design as the pioneer structures of the Renaissance, and an even bolder execution. Having broken, in the Revolution, the ties with the past which bound them to Crown and mother-country, they deliberately relied on a State theory, in which their reason drafted the plans for a true State, and their will executed this true State in real life. It was not by accident that the birth of this independent American Commonwealth was regarded as the most important event in the dawning "Age of Reason."

According to American conceptions the State is based upon a covenant; it has been created by negotiations, in which rights and duties are recognized, weighed and delimited in bulk and quantity. At the present time society may be the result of chance; in the future it must be organized according to plan. There is no doubt that the more recent American immigration laws, based on eugenic principles, were influenced by those sentiments of overstrained nationalism which are common to all ruling races and classes when they are visited by the first dim premonition of a coming or possible decline. But they also pursue the practical ideal of founding a future commonwealth whose component parts will be so exactly *measured* out from the different populations as to produce a unity of the highest possible value. While European romanticism tries to maintain that social life cannot be explained by mere science, because it is impossible to measure its component parts, and shouts for joy when this impossibility is anywhere proved, American reason, on the other hand, is always endeavouring to break up

the social processes into measurable constituents, and to push back, step by step, the frontiers of the unknown. These attempts may be greeted today with facile mockery, as were, for example, the well-known intelligence tests of the various groups of the American population during the War. But this ridicule is justified only where the methods of measurement are inadequate. It can attack the principle only by clinging to the romantic conception that all existing social processes can be sensed, but not measured.

In a community such as the modern capitalist society, whose chief external signs of life are the phenomena of business intercourse, through which goods and services are bought for money, and in which all acts of transfer can be recorded by double entry, one may indeed concede that many social happenings do not yet lend themselves to measurement. Yet to this "We do not know" it is impossible to add "We never shall know." The research into cyclical business movements, which hoped to analyse the causes of these fluctuations, so as to be able to control them, and to start and stop them, was in the last resort merely the latest effort of American social rationalism to gain a thorough theoretical knowledge of business life as a whole, and to shape it deliberately to carefully-planned and practical ends.

It is the attempt to set up a perfect society by the rules of mechanical social engineering, rather than the supposed materialism of this society, that excites an ever-recurrent distaste of America in the European romantics. Their romanticism measures the achievements of a deliberately-planned, as yet unfinished commonwealth against those of an old-established society, the perfected features of which never existed save in their imagination. Romanticism does not object to social planning. It bases its plans on general preconceived ideas, and objects to designs carefully derived from detailed observations of the living world.

The economic conceptions of the American people assume a system of free competition. This competition is supposed to

ensure complete economic freedom to all. The European nations, the Germans as well as the English, have grown up in a world organized on hierarchical principles; they may have offered lip-service to competition, and given it the reins in mere business transactions, but their social system is based on the stratification of classes and on privilege. The Americans, on the other hand, abominate monopoly, because to them it is privilege. This fundamental attitude first found expression in the North-western Land Ordinance of 1787, which forbade slavery in the newly-opened North-west, and thus led to that land legislation which made it possible for penniless pioneers to obtain land. Until lately this original conception has undergone but little change. It came to light very clearly only a few years ago in the passionate revolt against the valorization of rubber, and, on a smaller scale, against the valorization of coffee, though the fact that England was the beneficiary of the rubber monopoly added some zest to the national passion for freedom.

For more than half a century this land legislation, applied to the huge national demesne of free land, maintained a state of affairs in which competition was carried on under comparatively equal conditions. American democracy, which was founded on this basis, has not remained a mere formal political democracy. It recognized very early that even the most comprehensive political equality cannot ensure personal liberty if the elements of economic freedom are wanting. In Europe the birth of a strong Socialist movement was needed to open the eyes of Liberalism to the limited possibilities of mere political equality; in America democracy was soon made conscious of this limitation. This insight did not arise from a Labour movement, but from the struggles of the American farmer against Big Business.

The basic ideas of this agricultural democracy, which fought for the economic freedom of the individual against the power of monopoly, originated in the West. The movement against the economic pressure of wealth arose in California, where, as far back as the seventies, the farmers made war against their

exploitation by the monopolistic railway. The struggle continued until shortly before the outbreak of the Great War, when the present Senator Hiram Johnson, at that time Governor and leader of the progressive Republicans, broke the control of the Southern Pacific Railroad Company over the State. The anti-Trust legislation bears the name of Senator Sherman of Ohio, who introduced the first anti-Trust Bill with these words:

"If the concentrated powers of this combination are entrusted to a single man, it is a kingly prerogative, inconsistent with our form of government, and should be subject to the strong resistance of the State and national authorities. If we will not endure a king as a political power, we should not endure a king over the production, transportation and sale of any of the necessities of life. If we should not submit to an emperor, we should not submit to an autocrat of trade, with power to prevent competition and to fix the price of any commodity."¹

5. PARTIES

The political life of the United States to-day presents a scene of great confusion. For a century and a half it was carried on through the opposition of two great parties, founded by great leaders. Jefferson's adherents called themselves "Republicans": they were ridiculed by their adversaries as "democratic Republicans." The followers of Alexander Hamilton were the "Federalists," branded by their opponents as Monarchists or Monocrats. The Federalists were conservative centralists, who were striving for a strong Federal Government, capable of controlling the individual States as well as the individual citizens: the Republicans were radical-liberal Home Rulers, the advocates of State-rights, whose chief desire was for the greatest possible independence of the individual States, and the least possible activity of Governments. But actually the

¹ Albert H. Walker, *History of the Sherman Law of the United States of America*, New York, 1910, p. 14.

cleavage was based rather on social distinctions. The well-to-do favoured the Federalists; and the plainer people were Republicans (Democrats).

The Federalists were in power from 1788 to 1800. They were succeeded by Jefferson, the founder and philosopher of American democracy, who was President for eight years. A period of party disorganization followed, which did not end until the twenties, when the conservative elements were newly organized under the name of "Whigs." They were opposed by the radical elements, especially those of the Near West, who now assumed the title of "Democrats" for good. The question of slavery was gradually intruding itself between the old political divisions. It did not change the designation, but rather the social structure of the Democrats, who, in contradiction to their past (and their principles), became a party of the privileged. The new Republican party, on the other hand, founded in 1856, gained strength by appealing to the opponents of privilege. As the Democrats stretched their conception of the right of individual States until it included the right of secession from the Union, it followed automatically that the Republican party began to attract adherents whose social sympathies were with the Democrats, but who placed the integrity of the Union above the rights of the States. The Civil War brought a decision in favour of the Union, and indirectly put an end to slavery. The Republican party was undisputed victor; its agents (the so-called carpet-baggers) ruled the vanquished South during the period of reconstruction, and completely crippled the Democratic party, which did not recover its full strength until the eighties; by which time its Northern wing, comprising the voters in the great cities, had become once more the party of social equality in the Jeffersonian sense, while its Southern wing, composed by the white population of the former slave States, represented the Southern party of social ascendancy. The victorious Republicans, on the other hand, were influenced more and more by the great business interests, although from time to time, as for instance under

Theodore Roosevelt's presidency, the bulk of its voters revolted against them within the party.

It is not easy to draw a sharp and clear dividing-line between the two great American parties. Most of the questions which they were created to solve have long since become obsolete: one might instance the Bimetallist conflict, which is associated with the name of Bryan. Moreover, the fact that most of the great issues have not been decided by the regular party adherents, but by the so-called "Mugwumps," the neutrals who vote now for this party and now for that, shows clearly enough that both are in perpetual flux. Only certain thoroughly stabilized groups, following a strong tradition, are accustomed to take up an immovable attitude: the Southern whites, the supposed descendants of the former slave-owners, vote Democrat as a rule. These voters form what has been called the "Solid South," the safe domain of the Democratic party. Its ascendancy in the States of Virginia, the Carolinas, Georgia, Alabama, Florida, Mississippi, Louisiana, and Arkansas has rarely been contested, though it has often been torn by internal dissensions. The poor whites in the upland districts have been very antagonistic to the rich planters living on the tidal rivers. Both factions have been united again and again by their common fear of negro suffrage.¹ These States have voted for white ascendancy, prohibition and, until lately, free trade, but their economic reorganization, following upon their industrialization, is bringing about certain changes. The Southern Democrats really formed a sort of uncontested political demesne, for there was hardly a Republican party to oppose them outside the larger cities, where the Republicans were able to make play with the negro votes. Old-fashioned rural New England, on the other hand, is Republican; its cities, however, have become Democratic strongholds, since they have been invaded by masses of Catholic immigrants. Broadly speaking, it may be said that in matters of internal politics today the interests of Big Business have a greater weight in the councils of the

¹ Paul Lewinson, *Race, Class and Party*, pp. 3, 25, 101, 105, 193.

Republicans than in those of the Democrats, and that in foreign politics the Democrats are far less given to imperialist conceptions than the Republicans. But in a certain sense this cleavage has become visible only within the last few decades. In the old plantation days the Democratic party was strongly plutocratic and annexationist, while the Republicans represented mainly the interests of the smaller independent farmers and business men.

In foreign politics a fundamental difference between the two parties may be traced from the outset. The Federalists had activist leanings in foreign politics; they gradually adopted a pro-English attitude. The Democrats inclined to France, in whom they recognized a sister Republic. They were true believers in the rights of man: they repudiated all violence in home as well as in foreign politics. They were against war, and, in foreign politics, opposed to intervention.

But the lines of demarcation often became blurred, and owing to a succession of strange accidents it came about that the Democratic leaders were often compelled by the force of circumstances to do the opposite of what their programme demanded. Jefferson himself added more territory to America than any other statesman. The fact that he did not declare war upon England was due only to the expiration of his term of office. The more the Democratic party became the party of the South, bent, in the interest of slavery, on the acquisition of new territory, the more aggressive and land-grabbing became its politics: the climax was reached under President Polk with the annexation of New Mexico and California. At the same time the South, as purveyor of cotton to the English textile industry, became increasingly pro-English.

The Civil War abolished slavery, and extinguished the motive which had driven the Democratic slave-owners to the acquisition of new lands. For almost a generation the Republican party dominated the country. During this period the great industrial development of the United States was accomplished, leading, on the one hand, to colonial expansion overseas, and,

on the other, to America's efforts toward the economic penetration of foreign countries. The first resulted in the acquisition of the Philippines and Porto Rico, and the second to the imitation in China and Latin America of the aggressive methods of European finance. The United States turned imperialist; they began to intervene, on economic and political grounds, in the affairs of other countries. These tendencies were violently attacked by the Democratic party, who, returning to Jeffersonian principles, were anxious to withdraw from participation in imperialist undertakings of every kind, whether in China or in the Philippines. But in the end it was again the Democratic party who, it may be against their will, involved America in the World War.

Both parties have been strong enough to prevent the growth of a permanent third party. When a three-cornered election has taken place it has always been due to a temporary split in one of the two great parties, such as the repeated formation of a "Progressive Party," or else to unattached private groups without influence, which, like the Socialists, cannot find their way out of the political Cave of Adullam. The two-party system covers the whole country; each State is properly represented in the two great National Conventions in which the Presidential candidates are chosen once in four years. But in State politics things are different. The Republican party hardly exists in the Southern States. It runs a few congressmen in some of the border districts. It may occasionally swamp the voters, as it did in the 1928 Presidential election, when religious feelings were roused by the fact that the Democratic candidate was a Roman Catholic, but it has no influence in senatorial elections or in Southern State politics. The solid South is run by one party; where there is opposition against a Democratic State administration it comes from the Democrats themselves.

Meanwhile the continued existence of the two great parties cannot blind the onlooker to the confusion which reigns within them. The only active principle still to be found within the parties is their organization—the party machine. This is

upheld by the whole body of professional politicians in city, State and Union; by those who hold office, and by those who want to hold it, who are politically active not because they want to realize their ideal of the world, but because their only chance of putting themselves forward is to join one big group, which, judging by experience, will come to power in the course of time. Each of the two great parties employs at least 100,000 voluntary helpers, from highly respectable committee-men of all sorts to local bosses or humble ward-heelers, they include all those who either hold a Federal, State or municipal job, or look forward to securing one.

The "spoils-system," first announced after the Democratic victory of 1820, places all governmental offices at the disposal of the victorious party, and thus makes it possible for it to reward its adherents. After a Presidential party victory every congressman and senator is entitled to propose a number of his friends and followers from his State or district for "places," and the President habitually accedes to these demands. By this means a great number of helpers are attracted to political work; men who hope to get a small post which will yield them a modest income, even if a seat in Congress or a Senatorship is far beyond the bounds of their ambition. Since the reform of the Civil Service, however (1883), a great number of the Federal appointments have been made to depend upon a qualifying examination held without reference to party. Prospects for office-hunters in the Federal Government have greatly deteriorated; out of some 400,000 official appointments only 15,000 can now be arbitrarily filled by the President. Most of the States, the cities, and the counties still cling to the spoils system, though in some States, as in California, Civil Service regulations are beginning to prevail; in this State there are only some 3,000 political jobs amongst 17,000 appointments. As the national parties are in close touch with the party organizations in the cities, counties and States—the national party is really a federation of the State parties—they are able to offer their adherents pecuniary prospects in political life, even though the

Civil Service reforms have greatly contracted the scope of the spoils system in Federal politics.¹ Some of the really big plums, such as ambassadorships, are still at the disposal of the President, provided he can get the consent of the Senate.

Until the middle of last century politics and political debates were the ruling passion of the American people, as religion had been at an earlier period. This is no longer the case; today the great majority of the American nation are fully occupied with their own business concerns; they have neither time nor desire for regular political activities. The average American feels excited about politics once in four years, at the time of the Presidential election. At other times he minds his own business. He finds it expedient to leave politics to the professional politicians, so that he may pursue his own interests without waste of time. With this end in view he is even prepared to take a certain amount of political corruption for granted. He knows that in this life nothing can be had for nothing. If there are people who devote their lives to politics they must be able to make a living out of it. Senators, and even many congressmen, may be satisfied with power and influence; but only men of assured wealth can afford the luxury of unprofitable politics. The bulk of those who have gone in for politics must live by politics.

The costs of political organizations are enormous. The expenditure incurred by a party like the Republican for a Presidential election must amount to not much less than 20 million dollars; in a State of about 3 million inhabitants the election expenses incurred every second year may certainly amount to 100,000 dollars, while the municipal elections in cities like New York and Chicago may cost a million dollars and more. Hence no new party is in a position to get the men and the means required by such machinery.

Great business interests were not always able to gain their ends openly by lawful means, because they ran counter to those of the general public. Hence it was only natural that they should

¹ Robert C. Brooks, *Political Parties and Electoral Problems*, p. 541.

make use of men who lived by politics as such, who could get votes and organize divisions in return for jobs, influence and income. The political machine, as embodied for instance in Tammany Hall, the organization of the Democratic party of New York City, requires money for its upkeep and operation. Without its smooth functioning the business of politics cannot be carried on. The average voter rarely hurries to the poll: he must be fetched and influenced. For this reason somebody must look after him. A hierarchy of political leaders covers each important political unit. At its head stands a leader, the "boss," flanked by leaders who have influence either in the whole district or over large sections of it; below them are the local or county bosses, assisted by the leaders of precincts and their followers—the ward-healers and the "boys." These are the trusted servants of the organization, who see to it that its will is done; but they are also the friends and counsellors of the voters whose votes they have to deliver. The position of immigrants living in the ghettos would often be politically intolerable were they not connected through their racial leaders with the "Organization," and did not these leaders see to it that their followers enjoy a certain measure of protection, and, in case of need, of charitable assistance. The duty of the State to the able unemployed is not acknowledged in the United States; the dole is considered "un-American," even at the height of a crisis. But where poverty is combined with voting power, something must be done for the poor.

The strength of Tammany Hall lies in this personal connection. It receives large sums of money for the services which its control of the political machine in city and State (in Federal politics its influence is indirect only) enable it to render to the business interests: the percentage levied on the salaries of all job-holders for the benefit of the organization represents its regular income. The machine and its leaders live on these monies; but they are always ready to put both their wealth and their energy at the service of their voters. They may look upon them as voting cattle; they handle them after the fashion of a

business-like farmer who does not overlook the welfare of his stock. It is for this reason that Tammany Hall has so often survived the assault of its political enemies. And when it has carried matters altogether too far, and has temporarily been thrown from the saddle, it always comes back again. It can afford to smile at the stern moral principles of its opponents, which provide excellent theory for a short-lived revolt of good and worthy people against the iniquities of corruption. Tammany Hall itself, and other similar organizations, understand human nature, and by showing practical humanity towards their adherents, and by giving to the poor and heavy-laden a share in the ransom which they have squeezed out of capitalist contractors, they are always sure of a faithful following.

It is almost as impossible to apportion the responsibility for political corruption in American political life between "big business" and the "boss system," based on the control of an illiterate urban immigrant democracy, as to apportion the responsibility for the Fall between Adam and Eve. Since Prohibition has become the law, though not the practice, of the land, corruption has spread enormously. The business of bootlegging needed a huge, efficient and costly organization. But its profits were so enormous that the great captains of this industry were not only enabled to equip their trade with the most perfect machinery, and to organize their fighting bands, which frighten or violently oust their competitors, and protect themselves; they were also in a position to control urban, rural and even State elections, and to establish an administration favourable to themselves. Where the judges are under the control of corrupt influences even a spotless police force would be powerless to enforce the law, since the judges, at the nod of the highly specialized criminal lawyers who are affiliated to the machine, must needs deal gently with the prisoners. And it is next to impossible for the police force to remain spotless when a large part of the respectable population openly connives at the breaking of the law when its parched throat is concerned, and when it furnishes the bootleggers with the huge

profits with which they can and must square the police. In the United States "big business" has often gone outside the law by squaring the machine in return for concessions and municipal franchises. Since the advent of Prohibition illegality itself has become "big business." When it came to buying drink the consumer did not mind being fleeced by high monopoly prices. It is only a short step thence to grafting and racketeering—that is, the levying of contributions from producers or consumers by organized armed groups, who make their victims pay for protection in their perfectly legal callings, or for immunity from attack, or for the promise to withhold protection from an undesired rival. The organized underworld has learned to levy tribute on business, and even on labour, by threats of violence (and they are not empty threats) somewhat on the lines on which the rapacious monopolists of an earlier age lifted extra profits from their customers or purveyors.

The exercise of financial influence over persons and groups is unavoidable in a certain phase of capitalist development. It plays a part in all countries where questions of tariff-making are concerned, where lobbying (putting pressure on members and senators) and log-rolling (effecting a compromise at the cost of the public) between the various interested groups are part of the day's work. European public opinion is inclined to tolerate the discreet lobbying and shamefaced log-rolling involved in certain transactions, and does not call it corruption when those who give and take money are acting not as private individuals filling their own pockets, but as the representatives and agents of organized groups. Curiously enough, in this respect America is extremely sensitive. No joint-stock company may spend the money of its shareholders for direct political purposes: it is forbidden, under severe penalties, to contribute monies to an election fund. In other countries—in Germany, for example—it was a common thing for a general manager to gain recruits for his private political opinions by means of his company's resources, expending upon his party the monies of shareholders who may perhaps hold contrary political views.

The second active element common to both parties is tradition. In the past both parties represented, if not a complete theory of life, at least a philosophical conception of the State. The purely political traditions of the parties have to some extent survived so far as the relationship of the State to the Federal Government is concerned, although their attitude toward economic and social problems has changed. In the past the leaders of each of the two parties formed an aristocracy of opinion, which bequeathed its ideas to its friends and successors as a sacred legacy. And this tradition survives, even amongst those to whom politics are a serious quasi-moral obligation; a man will be a Democrat today because his grandfather was a friend of Thomas Jefferson's, and another a Republican because his great-grandmother admired Alexander Hamilton.

Tradition is reinforced by a third and even more enduring element: the fact that both parties are strongly rooted in their particular regions. Since the beginning of party history certain States and certain sections of single States have been the uncontested domain of one party. In the "solid South," which always votes Democrat, this can be readily understood. In the South, until recently, neither the social conditions nor the people had greatly altered. The Civil War was regarded by them as a war of the Republicans against the Democrats; this tradition was handed on almost intact through the period of reconstruction to the generation now living. Men are Democrats in the South because the South has always voted Democrat. They are not bound by contemporary programmes, but by loyalty to a past long dead. For this reason they are prepared to enter into an alliance with the Northern groups of the party, who call themselves Democrats too (and as far as the meaning of the word goes, with a better right than the "gentlemen from Virginia"). This combination of separate regional State parties into a single national party creates, as it were, a permanent national coalition, in which the common object of attaining power binds opposing interests together. The Southern

Democrats are orthodox Protestants, and sometimes even Conservative country squires of Anglo-Saxon origin: the Northern Democrats are mainly townsmen, supported by the immigrant crowds who fill the great cities—Irish, Russian (Jewish) and Italian by birth, and in religion predominantly Catholic. There is not quite such clear-cut division amongst the Republicans. Yet the contrast is very sharp between the farmers in States like Wisconsin and Kansas, who are for the most part Republicans, and the equally republican industrial aristocratic plutocracy of the East: it has come to light again and again in the so-called Progressive movements.

Thus bonds of organization and tradition have held the parties together up to the present day, and so far their cohesion has been facilitated by the continued existence of the variously attuned State parties which combine to form a national party. Hitherto this coalition has worked very well, since the regional spirit is given full play in the political life of the individual States. But in the Presidential election of 1928 its limitations in respect of national affairs were pretty clearly revealed. The fact that Governor Alfred Smith, the Democratic candidate, was a Catholic and an anti-Prohibitionist, broke up the unity of the South. The native American population of the South, especially the small farmers inhabiting the Piedmont country, take a particularly passionate view of the drink question, as it affects the negroes; they are very fervent Protestants, and declined to follow the candidate of urban democracy, the representative of the Catholic immigrants. His outstanding qualities could not save him from a crushing defeat. The difficulties in the way of continued cohesion are increasing in both parties, but more especially in the Democratic party, whose internal contradictions can hardly be reconciled. But for the unique combination of circumstances which occurred in 1932, when a Republican President could not stem the greatest economic crisis the country has ever seen, though he was regarded as the most successful business engineer of the age, the Democrats could hardly have won the

last election. It needs a very astute politician, who is at the same time a gentleman, to win the confidence of the Southern gentry and the cow-punchers of the Western plains, and also to arouse the enthusiasm of the masses in the great cities, as did Governor Roosevelt.

The political situation suffers, moreover, from the fact that a clear limitation of the programme of both parties is now hardly possible. At the last election the Prohibition issue was exploited for all it was worth, the Democratic party having come forward with a strong demand for the repeal of the Eighteenth Amendment and a modification of all legislation connected with it. But some of the stoutest adherents of the party were extra dry, while the Republican party, whose election programme did not include a clear declaration against Prohibition, counted among its most active and respected supporters a great many men who objected to Prohibition not because they were thirsty, but because they considered its results to be morally pernicious for the nation. The old conflict of State rights *versus* the Union has lost a good deal of its meaning. It may happen that those who wish to safeguard the legal power and authority of the individual States, as opposed to the Federal Government, are no longer Southern "State righters," but Northern Republican manufacturers who object to a Federal Workmen's Protection Act. In the economic field the conflict between Protection and Free Trade no longer shows a clearly-marked dividing line. Until recently the genuine free-traders were the Republican farmers of the Middle West and the landed gentry of the South, whose incomes were affected by the fluctuations of the world markets, while their outlay was subject to price-raising by protected industries. They had a good deal in common with the Democratic masses in the big cities, who naturally take the consumer's point of view. Things have changed considerably since then. The South is aiming at industrialization, while the farmer, thanks to the intervention of the Farm Board, has profited by comparatively high wheat and cotton prices well above world

market prices. For a short time the farmer was a believer in an interventionist Republicanism: he has since become a Democrat yelling for inflation. The war against monopoly was not really a party matter. Both parties in turn passed the anti-Trust laws: both parties, when in power, alternately tolerated or persecuted the trusts. There was more fervour in the Democrats' attitude, as their party is opposed to "big business"; but there was more noise in the Republican activities, when Theodore Roosevelt trumpeted the voice of the Great West. Nowadays anti-Trust sentiment has lost much of its strength. Capitalism in general is rather unpopular, but since planning has become popular monopolistic capitalism is less unpopular than its competitive brother.

Plans for forming a new party, in which farmers and workingmen were to unite against Eastern capitalism, have often been brought forward, but a combination of such groups has never succeeded in exerting the influence wielded by the Canadian Progressives, their direct spiritual descendants, who not only governed for many years the three prairie Provinces of Manitoba, Saskatchewan and Alberta, but also played an important part in Canadian Federal politics. As a matter of fact, the Radicalism of the American farmer is less a result of his deep-seated convictions and his views of the world than the outcome of his temper and the world market prices; it increases with the falling and sinks with the rising price of wheat. As the price of pigs in Chicago regulates the price of Indian corn in Illinois and Kansas, so the prices of agrarian staple products (compared with wages and the cost of living) determine the political temper of the Western farmer. In 1925-6 the average profit on capital on all farms was reckoned at only $2\frac{1}{2}$ per cent.; and while the wages of the city workers had gained 24 per cent. in purchasing power since 1914, the farmer's income from wages had fallen from 100 to 92. Naturally the farmers clamoured for a rise in agrarian prices, and demanded the formation of a wheat pool to gain their end. They elected a few senators, who were known as "Insurgents." In demanding a wheat pool they

had abandoned the ground on which for many years they had fought the industrial monopoly of the Trusts. By 1928 they had fallen completely into line, and they gave Herbert Hoover the greatest majority a President ever attained. Four years later they voted for his opponent in the fond hope that he might save them from the burden of debt they had incurred during the reign of prosperity.

Economic and religious issues have been characteristically intermingled in the political life of the United States. It is only natural that in normal times economic considerations should occupy the foreground; but at critical moments they are swept aside by a panic outburst of religious sentiment. Fear of the Catholic Church, the only Church in the United States which is founded upon authority, and upon an authority whose roots are in another continent, has sometimes induced the farmers of the Middle West, or the Protestant gentry of the South, to cast their votes at a Presidential election against the candidate who was most closely bound up with their interests. And economic concepts have never been strong enough to bring about a re-grouping of parties from the standpoint of vocational interest, or even of class.

In consequence of historical and regional traditions, fundamentally opposed economic groups and interests are still banded together in both parties. During a crisis disorganization or disintegration may appear to be imminent. Discontented groups break away from the Democratic and Republican parties, and form themselves into a party of progressive Radicals. Their brief regional successes have never assumed national proportions, even when both the old parties have been controlled by their Conservative wings. And hitherto the passing of the crisis has always been followed by the return of the deserters to the old parties. In the meantime public opinion still rejects the formation of political parties by purely economic groups. Just because economic questions have played so large a part in American life, the permanent identification of political parties with economic groups or class interests is generally detested.

So far the Socialist class party has remained without influence. Organized labour is not inclined to identify itself with any one political party, in spite of its rather lukewarm espousal of the cause of La Follette in the year 1924. Employers and employees, farmers and intellectuals, are found in both parties. Public opinion would perceive a danger to the community in the formation of political parties on a class basis. The class idea is un-American. In this respect things have not changed greatly since Abraham Lincoln's prairie years, when to the question: "Who are the prominent citizens of New Salem?" the reply was given: "New Salem has no prominent citizens: everyone there is a prominent citizen."

The notion of European business men that political life in the United States is controlled by a small group of leading bankers and manufacturers shows the same lack of insight into political conditions abroad which they have so often displayed in their judgment of home affairs. Rockefeller, Morgan, Ford are great names with which to conjure the imagination of young America; but notwithstanding the vast economic influence of these magnates, and their party contributions, they cannot prevent New York from being run by Tammany Hall, or Chicago from being plundered by gangsters. And the men who control the party machine have to look for votes, not only for contributions. Wall Street, the financial centre of New York, can lead the nation only if the nation, and especially the Middle West, is prepared to follow. It has long desired the cancellation, or at least the revision of the Allied debts, together with the entrance of the United States into the League of Nations, and a freer trade policy. But it will have to convert the masses of the Middle West to these views before it can have any prospect of success. It has stood for sound money, but it has easily been swept away by a huge inflationist movement. Like every other power, it will be able to lead the United States only when it has made itself the exponent of the wishes of American democracy. In Europe, but not in the United States, "big business men," not satisfied

with being captains of industry in the world of commerce, have tried to drive the political chariot, and have often enough succeeded in overturning it. In the United States they prefer a political semi-obscurity even though they openly display the splendours of industrial leadership.

If "big business" in the United States should endeavour to organize its own political party, this attempt would quickly provoke the formation of an anti-capitalist Labour party, which would include employees, working-men and farmers, and might ultimately become class-conscious. For many decades the rapacious capitalism of the States transgressed by fleecing the smaller capitalists and farmers by railway tariffs, and by levying tribute on the public through raising of prices and watering stock, rather than by oppressing the workers, who did not actually form a class. "Predatory capitalism," as it appeared to the inhabitants of the Middle West, especially at the time of the silver agitation of 1896, had its seat in the East; it bore the features of creditor-capitalism, hated by oppressed debtors all over the world. It was far more bitterly loathed by the American farmer, who was heavily mortgaged, than by the working-man, who hoped himself to become an employer of labour. But the two have often made common cause. Hence it was the capitalist class who, with good reason, emphasized the danger of the disintegration of political parties into economic groups. For some time this danger has been almost non-existent. Whenever business prospers, and all have a share in the nation's prosperity, the captains of industry are allowed a free hand in economic life. They may take control of the economic fortunes of the nation so long as all goes well. The beginning of a crisis is followed by immediate agitation; the quietism which governs the internal politics of America is quickly disturbed. Prosperity must be declared in perpetuity in order to stabilize this quietism, and to do away with the deeply-rooted radical instincts of the American people.

Curiously enough, the present crisis has not yet led to a revival of anarchy as was usual in earlier days. Radicalism of

some sort is rampant again, but it is less shrill than in days gone by. There are hunger-marchers and there are demonstrations. But in the midst of the great crisis the Socialists secured only 729,000 votes, or about 2 per cent. of the entire electorate. At the same time disillusion is more profound than it ever has been before. Individual capitalists are no longer held up to derision and accused of rapacity. The capitalist system as such is arraigned, as it seems incapable, in the richest country in the world, of shaping an order which shall guarantee to a comparatively sparse, industrious and capable population a subsistence consistent with the human needs developed by modern technique, without millions being from time to time reduced to beggary and dependence on soup-kitchens and the casual wards. And once again, as they have done in the past, the farmers are rising against the payment of debts in gold. But it is quite possible that the present revolt may lead them farther than its predecessors.

6. CONSERVATISM AND RADICALISM

The political character of the American people is at once conservative and radical. It might even be said that it is outwardly conservative because of its internal radicalism.

American democracy has to do its work without appeal to an established authority; it counts votes, but does not weigh them. It is permeated to the core by the conviction of the equality of all men and the right of every individual to be "free and independent." The more democratic it becomes, the more it is composed of races of varied social standards and conflicting tendencies, the more it feels the need of support. This support is furnished by "Convention." Certain articles of faith elaborated in the past have been condensed into formulas. These formulas, which preserve the wisdom of the nation's forefathers, are taught throughout the country. The children learn them in school; the adults from the newspapers and the pulpits. They supply the place of tradition and authority as

Europe knows them. The whole body of political formulas is contained in the Constitution. They can be interpreted and commented upon. As they emerged from compromises of the most complicated nature, a very wide field is staked out, in which a subtle "legalism" can disport itself and which art of interpretation can probe to the depths. But these principles and formulas must not be overstepped. Any contradiction of them is regarded not as creative originality, but as subversive. In every-day economic life the principle of "permanent Revolution" may be applied over and over again; but political theory insists on legalism.

In a democracy, as a rule, action is nearer to words than in countries with a firmly-established authoritative government. When the citizen has formed his opinion, and desires to act upon it, his will may be effectively realized, if he can convince the majority of his fellow-citizens. Hence it is desirable, from the standpoint of the community, that the development of individual thought should not be too rapid or too spasmodic.

Americans like simplicity in practical life. They act with a purpose when handling a practical task: they are rationalists, who ride rough-shod over obstacles and protests, be they never so time-honoured and venerable. They have no reverence in their dealings either for persons or institutions. They treat their elderly fathers good-humouredly as "superannuated," regarding them just as they regard Europe, which also seems superannuated to them. They are totally unable to understand the apologetic attitude of the European, which is due to his historic sense; he will bear patiently with old abuses if he can discover their remote origins, and is even willing to condone abuses of justice, finding that there is some excuse for them if only they have lasted long enough.

For the American, the world is a reasonable world, designed by God. That father, grandfather and great-grandfather have not long ago been able to put it into reasonable shape is a misfortune which can be explained by their lack of education and their consequent incapacity. But this misfortune furnishes

no excuse for unreason; once it has been recognized as such, why should it endure for a day longer? The American has no respect whatever for the past. He recognizes no established external authority. In its absence, action is bound to follow thought very quickly, however incorrect and immature the thinking may be, provided it is backed by a majority. This may be observed in the legislation of many of the States. In one State the smoking of cigarettes is forbidden as immoral, while the smoking of cigars and pipes is permitted. The same State, overflowing with an uncontrollable desire for the improvement of the world, decreed that the linen sheets in the hotels must be of a certain length—a great boon, by the way, to many a commercial traveller. Another State has forbidden the giving and receiving of tips—because democracy feels that its proud virility is insulted when free citizens give and take presents of money. The Scopes case in Tennessee (the so-called Monkey-Trial), which arose out of the prohibition of teaching the Darwinian theory of evolution in State institutions, is a particularly crass instance of this kind.

Such laws generally indicate nothing but a temporary ebullition of public sentiment: by the time the law is inscribed in the statute-book no one any longer dreams of obeying it. But they reveal the tendency of democracy to sudden, spasmodic and violent action. The American mind is double-barrelled, so to speak; it is highly rationalistic, but at the same time thoroughly emotional. Strident emotionalism is apt to breed very quick and erratic ideas. And as thought is responsible for action, even if it be only “half-baked” thought, and as its results may affect every sphere of life, it is an instinctive act of self-preservation on the part of American democracy to teach the citizen not to make too extensive a use of his individual freedom of thought. In the religious field everyone has the right to save his soul as he thinks best. As every religion is good, in so far as it proclaims the subjection of man to the will of God, and thus places man under authority, complete freedom is left for the formation of sects and new Churches, so long as they

do not shock established social conventions. When they do so there is an end of tolerance; as, for example, in the case of the Mormons, of whose fitness for citizenship there can be no doubt. Thought is free: but limits must be set to action. If every citizen, following his own conceited whim, should insist not only on thinking his half-baked thoughts, but also on putting them into practice, no commonwealth could endure; it would be quite impossible to obtain a united majority, and, what would be still worse, the minority might not bow to the will of the majority. Where there is no recognized established authority, and where the sum total of individual reasoning represented by the minority is opposed to the sum total of individual reasoning represented by the majority, the danger of intellectual, and perhaps even political, anarchy is imminent. Energetic attempts have indeed been made to exorcise it, by cultivating the supremacy of conventional formulas. The majority does not wish to subdue the minority to its will by force, even when it has the power to do so, provided it can persuade the minority to accept its will and to waive the right of inconsiderate criticism. The American attitude to Prohibition seems to contradict this statement. But Prohibition must be regarded as an effort to preserve certain cherished conventions, if need be by force.

It was otherwise in former times. New England was a land of schism, in which individual sects fought each other with the bitterness of the true believer; majorities did violence to minorities, minorities defied majorities. Such an anarchy of the spirit may be tolerated so long as it has to do with the ordering of the kingdom of Heaven, which can only be imagined and not constructed. But in this material world there must be some sort of order: fixed rules must be maintained, or a reign of lawlessness will ensue.

There is small desire to let loose the wilful propensities of Church-splitting religious individualism upon the social life of the community, and still less the naïve violence of the frontiersman, for thorough-going revolutionary thinking is

rare in America. Where it does exist its exponents are mostly immigrants.

Moreover, the basic inducement to intellectual revolt—hopeless suppression—has so far been lacking in American life. Everyone has cherished the hope of improvement, everyone has been prepared to wait patiently until his time should come. Sometimes, however, when that time has delayed too long, when groups and classes taking cover behind protective conventions have too long upheld their selfish interests, a mighty upheaval has announced itself, an upheaval far more radical, both in theory and in practice, than would be the case in Europe.

In the soul of the American citizen there slumbers one dangerous radical propensity. It is not merely the yearning for something new, comprehensible enough as part of a revolutionary tradition. It is the tendency to enforce this new conception, once it has become an irresistible desire, by violence and without regard for legal obstacles. This tendency has a threefold origin.

A religion born of fear for the safety of one's soul, which recognizes no intermediary priest, and no means of ensuring salvation excepting one's own faith, one's own perceptions, one's own actions, is bound to create a ruthlessly individualistic attitude toward the world and toward one's fellow-men. The salvation of one's ego for all eternity is one's first duty. Its natural consequence is an anarchic attitude toward all other egos, which can be held in check only by the maintenance of an iron-clad convention. Secondly, there is the conception of the unlimited sovereignty of the American democracy; a majority can do what it will; it is not bound by law and treaty. And thirdly, there is the traditional violence of frontier life. A generation has not yet passed since the struggle on the last frontier: throughout the whole of the West the sentiment is still alive that the individual is a law unto himself. When the frontiersman feels aggrieved he has recourse to his gun, like his ancestors in the wars with the Indians. There is, moreover,

the strong emotional strain which has coloured American religious life since the spread of Methodism. This is not the result of pioneer conditions, but of American political traditions. In Canada, whose "Farthest West" is not yet thoroughly opened up, the authority of the Government is everywhere recognized and respected, for the law is enforced without question by the Royal Mounted Police; but in many American States, where frontiers no longer exist, the tendency to self-help by armed violence is dominant even today. "I fear for the future, for our people are lawless and violent," I was told by one of the wisest of Americans; a man not merely a bystander, but one who has seen more than most of his contemporaries of the political life of the United States and the world at large.

The history of American labour has often enough amply justified these fears. American labour has never regarded itself as a separate social class. Such organizing work as it has done has nearly always been on moderate lines. But from time to time it has broken out in mad revolutionary convulsions, which have generally ended in sanguinary battles and frightful persecution. The theory of Socialism, especially of the Marxian brand, did not attract Americans; it was too abstract and too quietist. It appealed only to the immigrants, who often had to submit to such exploitation by their employers as the native American workers would not endure, and who looked to a visionary Socialist future as a compensation for the drab proletarian life of today. But the native Americans, always quick to act, were deeply impressed by the Syndicalist conceptions of the "Industrial Workers of the World," who had their strongholds in the mining and lumber camps of the West. This impassioned movement compressed the primitive anarchistic instincts of the pioneers within the formulas of the Syndicalists. It threatened the employers with guns and dynamite, but not before they themselves had used similar weapons, which at one time were considered quite legitimate, even by conservative Unions. It has practically disappeared today. It was suppressed with terrible brutality. It never was very strong numerically;

18,000 registered members represented its maximum strength (1912). But it provided American labour with a radical theory, and its opponents with an excellent target.¹ As the guardians of the existing order fully realize the anarchist propensities of their fellow-citizens, and credit them with every kind of lawlessness, they outlaw every movement which they can label as Socialist, Bolshevik or Communist, there being in their eyes little to choose between these different groupings.

It is easy enough to understand their attitude. There has been a great deal of violent talk in the theoretical pronunciamientos of the I.W.W. and there has been a lot of shooting, and even of dynamiting, in labour disputes, even when these were conducted by the organizers of quite conservative labour Unions.² It is not difficult to confuse issues for the benefit of the general public, who are fearful of the theory of class warfare and familiar with occasional outbreaks of violence. The thorough-going Communist, who sees the way to victory in the dictatorship of the proletariat, introduced by a reign of terror, ought not to complain if terroristic repression is used against him. It is questionable, however, whether a lawless movement can be turned into lawful channels by disregarding one's own law when dealing with its followers.

The advocacy of violence which stamped the I.W.W. as a revolutionary movement was expressed quite as strongly, by the order-loving elements, in the attacks made upon it and other labour groups during the War, and especially after the War. There is no need to cite the case of Sacco and Vanzetti or to discuss its merits. The use of violence in suppressing strikes—as in the textile industry of North Carolina (Gastonia)—may serve as a recent example. This propensity to violence greatly assisted the spread of the Ku-Klux-Klan in the Western States, where it strongly appealed to those groups accustomed to self-assertion in defence of their interests. It achieved its

¹ G. E. Cummins, *The Labour Problem in the United States*, pp. 413, 419.

² *Ibid.*, p. 413; Adamic, *Dynamite*, pp. 187 ff.

greatest triumphs in States such as Oregon, where the native-born Americans preponderate, and the pioneer tradition is still alive.

Where the Klan was not misused to cover machine politics and political interests, and was something more than the result of successful "salesmanship" on the part of a clever organizer, it represented an uprush of primitive instincts, a combination of narrow nationalism with the cult of violence. It may be regarded, on the one hand, as a passionate protest against high-falutin cosmopolitan idealism: on the other, it is an expression of violent practical anarchism. It exploited, on the one hand, the love of masquerade—the naïve romanticism which is innate in the American people, and to which they can no longer give vent, since there is no more free West; on the other hand, it appealed to their tendency to self-help by violence. It was the uneasy refuge of the poorer middle-classes. It exhibited the same unhealthy and unholy mixture of Philistinism and cheap fantastic romanticism as did similar movements on the continent of Europe. It was directed against immigrants, coloured people, Catholics and Jews—in short, against all who were unable to establish their hundred-per-cent. Americanism. It was the protest of the native-born American lower middle-class, who had no real need to fear lest negroes, Catholics and Jews should threaten their American way of living; who saw a kind of menace in the mere existence of those who were different, thought differently, and acted differently from themselves, and gladly followed men who were nobodies and were eager to be somebodies.

That the thought of armed self-help against imaginary dangers should be so popular amongst such men, who consider themselves the embodiments of the American tradition, demonstrates more clearly than anything else the latent, practical anarchism of the native American. Its portent is much more dangerous than the shooting which went on amongst the gangs of the Chicago underworld, or the mere theoretic anarchism of a few immigrants. Statistics prove this abundantly:

the number of murders in the big cities of the United States varies from 5·7 per 100,000 inhabitants (New York, 1929) to 66·8 (Memphis, Tennessee), a figure 21 times as high as the corresponding figure in England.

This disregard for law has shown itself quite nakedly in the struggle that has raged about Prohibition. One half of the nation, presuming upon its rights as a majority, has sought to forbid the other half those joys of life which are harmless and legitimate in its eyes. The majority has made the most of its right, as a majority, to stretch the authority of the State to its extreme limit, causing it to encroach upon spheres which elsewhere are considered private. The minority in its turn has claimed for itself the right to withstand by every means of open and covert resistance a law which in its opinion runs counter to the natural rights of man. Thus sovereign democracy has done violence to the individual, who appeals against it to the right of the anarchist.

There is nothing novel in this attitude. For fifty years the Southern whites have ignored the Fourteenth and Fifteenth Amendments to the Constitution, which gave the negro the franchise, and evaded them by all sorts of "dodges," or have openly resorted to intimidation. This revolt against the Constitution has become almost hallowed by use. No one thinks of appealing. The Federal authority never dreams of interfering against this breach of the Constitution by State administrations, for public opinion has sanctioned it. There is an occasional decision in favour of negro voters given by the Supreme Court; it is nearly always evaded by some clever constitutional dodge of the State legislature.¹ And so long as public opinion condones this attitude there is no remedy against a defiance of the Constitution which as a matter of principle is far worse than the occasional outbreaks of lynch law of which the North is inclined to complain.

¹ Paul Lewinson, pp. 155-6, 195. An illiterate negro vote may be undesirable, but a circumvention of the Constitution does not seem very attractive either.

The ultimate cause of this lawlessness is the deep-seated conviction of the unlimited and inalienable rights of the individual. In the light of this conception the State is regarded as a necessary evil. It is an instrument for coercion, whose field of activity must be restricted as much as possible. Thus the State rights limit the Federal rights, and the rights of the individual those of the State and the Union alike. But as the individual himself is all-powerful, a majority of individuals has the right, if it so desires, to enlarge at its pleasure the limits of State activity, and to subject the minority to its will. The will of the majority is not merely the sum total of the individual wills composing the majority, but it becomes the concentrated communal will of those who form the majority; it clashes with the individual wills of the members of the minority, and tries to overpower them. When the latter are conscious of being in the right they strike back: and when they have sufficient strength they convulse the State.

CHAPTER IV

FOREIGN POLITICS

I. ISOLATION

The main ideas of American foreign politics were originally determined by the fear which the armed monarchies of the Old World inspired in the little Republic, who had only with difficulty won her way to freedom. On the one hand, she feared a fresh appeal to arms; on the other, she was afraid lest dependence upon Europe, or European influences, should undermine her republican constitution. She sought to escape these dangers by a policy of thorough-going isolation, and for almost a century followed the advice given in 1797 by George Washington in his farewell message: to cultivate business relations with the European peoples, "but to have with them as little political connection as possible." This striving after isolation was the leading political motive in the acquisition of land on the continent which occupied the United States from the year 1805 onwards, until they had gained possession, chiefly by purchase, but occasionally also by wars and trickery, of all North America with the exception of Canada. In this way they got rid of all neighbours, excepting Canada and Mexico. The original significance of the Monroe Doctrine was inspired by this craving for isolation. It not only announced "that the American Continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Powers", but it more particularly emphasized the facts that "the political system of the allied Powers of the holy Alliance is essentially different in this respect from that of America," and that the United States would "consider any attempt on their part to extend their system to any portion of this hemisphere" as dangerous to their peace and safety. For if one of the great

autocratic military Powers of Europe became the neighbour of the United States the latter would either lie at its mercy, or they would be forced to follow its example, and proceed with warlike preparations, which might well threaten the structure of American democracy. The fear lest a victorious general should prove a danger to American liberty has sometimes played a part in American politics.

The American policy of isolation has often been quite aggressive in its methods, without thereby losing its original character of a "Policy of Fear." There is nothing particularly American in this. The aggressive policy of most countries bent on the safeguarding or expanding of their own frontiers is traceable to the fear of foreign attack. The United States have not been wholly successful, for in spite of occasional spasmodic demands for the annexation of, or federation with, their northern neighbour, Canada has remained a part of the British Empire. But the neighbourhood of Canada was hardly ever looked upon as a real danger: it was rather regarded as a kind of pledge for England's good behaviour. England herself was no more a military Power than the United States. England was a long way off, while the United States, with a population ten or twenty times greater than Canada's, was Canada's next-door neighbour. Moreover, in the course of the last half-century, England has been growing steadily more democratic, and at the same time she has tried at every opportunity to flatter American self-respect. According to American ideology, a sister democracy presents no risks, even when her foreign policy is a mere continuation of her earlier monarchical policy.

Since the Civil War, when disruption was prevented, the military resources of the United States have grown enormously. The States could have become the equal of any Great Power if their forces had been thoroughly organized. They have shown little inclination for this task. There is no imminent danger on any side. Military preparations on a large scale cannot be carried out without some sort of conscription, pressing hardly on individuals. Public opinion would not suffer this except in

the hour of need. American public opinion imagines that democracy is a political system identical with peace and neighbourly love. It imagines, moreover, that the expansion of the country over the continent has been achieved by peaceful federation and not by warlike annexation. There is further a general aversion to any extension of the powers of the State, even when the fear of Caesarism does not come into play.

In spite of this attitude there is a considerable spice of pugnacity in the American character: the conquest of the West would have been impossible without it. But as there never has been a feudal aristocracy, with the traditions of a military caste, no militarism is visible. Even the warlike sons of the Southern gentry were citizen soldiers, who, during the frontier wars against France, were often enough on rather bad terms with the professional English officers. Americans have always liked playing at soldiers, and have eagerly enlisted in the National Guards. Honorary military titles, such as Captain or Colonel, or even General, were very frequent even before the War. They have a strong aversion to a professional officer caste, which, standing apart from a nation otherwise free from professional caste divisions, would, by its very existence, make a breach in the American system of complete equality, and, as a military party, might exercise an influence upon politics. Their experience with their one great soldier President in the nineteenth century, Ulysses S. Grant, was not very encouraging. Outside headquarters the regular Army officers play no important social rôle: they constitute a rather isolated social group, living amongst themselves in the lonely posts in which they are stationed. The total strength of the regular Army is only 125,000 men. Further, the economic considerations opposed to armaments are of special weight in a country where almost everything is measured by money expenses. "We have never had, and while we retain our present principles and ideas we never shall have, a large standing army," said Wilson on December 8, 1914. "If asked, Are you ready to defend yourself? we reply, Most assuredly, to the utmost; and yet we

shall not turn America into a military camp. We will not ask our young men to spend the best years of their lives making soldiers of themselves." The question of the Fleet is a rather different matter. The Navy, though often neglected, has been very popular. In a defensive war, the Navy and not the Army would constitute the United States' first line of defence; and in an aggressive war outside Mexico and Canada the despatch of the expeditionary forces would depend upon the Navy. The Navy, moreover, is the instrument by which American imperialism first expanded into foreign countries. It is that one of the Services which enabled Britannia to rule the waves. The imitation of England and the craving for equality with England are very strong motives in the American mind. And last but not least, navies are expensive and provide influential industries with very profitable contracts.

2. ARBITRATION

The United States have deliberately pursued a policy of settling international conflicts by arbitration and international courts, and not by force of arms, thus rendering armaments superfluous. The basis of inter-State and international relations are pacts and covenants freely entered into by the parties to them. They bind nations to each other as private contracts bind persons. They are inviolate. Differences arising out of them must be settled by mutual consent, or by law and not by force. As early as 1780 Benjamin Franklin wished to draw up a plan which would permit and compel the nations to adjust their quarrels "without cutting each other's throats." And in 1797 an attempt was made for the first time to agree by treaty to settle disputes by means of friendly conversations, and not to appeal to arms until the negotiations spread over a given period of time should have proved fruitless.¹

Even earlier than this (in 1794) the United States had begun to submit territorial disputes in which they were involved to the arbitration of a third Power: "It would be a horrid and

¹ Treaty with Tunis, 1797, and with Tripoli, June 4, 1805.

destructive principle that nations could not terminate a dispute about the title to a particular piece of territory by amicable agreement, or by submission to arbitration as its substitute, but would be under an indispensable obligation to prosecute the dispute by arms, till real danger to the existence of one of the parties would justify, by the plea of extreme necessity, a surrender of its pretensions."

In spite of occasional violent popular outbreaks against such methods—Hamilton narrowly escaped being stoned for these utterances—from 50 to 60 arbitration awards¹ in which America was concerned were given during the nineteenth century.

The work of the two Hague Conferences, which were hailed with particular pleasure in America, made possible the systematic development of these ideas. Between the years 1908 and 1910 arbitration treaties were made and ratified with twenty-two States, in which the United States undertook to submit all disputes of a legal nature to a Court of Arbitration, with the exception of those which affected the honour, the independence or the vital interests of the signatories to the Treaty. It was left to the President to decide what might or might not be disputes of a legal nature, after consultation with, and by agreement of, the Senate. Somewhat later President Taft attempted to do away with this limitation, and to submit *all* disputes to a Court of Arbitration. His successor, Wilson, who had appointed the pacifist Bryan as State Secretary, went much farther. He made treaties with various States, on the basis of which all disputes which could not be settled by direct negotiation were to be submitted to an international Commission consisting of five members. Each of the parties concerned was to nominate two members of the Commission, one of them to be a subject of its own State. The fifth member was to be nominated by them after mutual consultation. Judgment was to be pronounced within the year. During the trial of the case by the International Commission, and until the subsequent pronouncement of

¹ Willis Fletcher Johnson, *America's Foreign Relations*, ii, p. 355.

judgment, the parties to the Treaty were bound neither to declare war nor to commence hostilities. Thus an attempt would be made to settle all quarrels by peaceable means.

These efforts expressed the sincere aspirations of the American people. They were advocated by the leaders of both parties. The opposition which they occasionally encountered can be readily explained by party antagonism, and by the almost customary clash between Senators and Presidents over the extent of their respective powers. But they often seem to run counter to the deep-seated instincts of the American people. One need only remember the Spanish-American War. They are, nevertheless, a logical development of the American view of the world. The United States were formed by a federation of thirteen States, which were bitterly envious of one another, and occasionally almost went to war so long as they were separate colonies. By means of a union against the outside world, which left each State its complete internal liberty, the United States found a formula which is able, in their opinion, to guarantee the peaceable solution of all conflicts all the world over. What the individual American States had been able to do the States of the entire world should be able to imitate.¹

The isolated position which America enjoys by the favour of Providence, and which she has improved upon by her own far-seeing policy, is a complete proof to the American people of the possibility of a similar peace policy all the world over. They have 3,000 miles of frontier between them and Canada, and their frontier is totally undefended. Instead of raising armies and building fortifications, the United States, in the year 1817, entered into a Treaty of Disarmament with England, which forbade both parties to build a navy upon the Great Lakes. They thus avoided competition in armaments, and they have kept the peace, and were able to celebrate its centenary in the year 1917. Americans cannot understand why methods which have been successful on their own open northern frontiers should not be applicable to all other parts of the world.

¹ John Fisk, *American Political Ideas*, pp. 95, 99, 145, 151.

But such a policy presupposes the conclusion of international treaties which must under all circumstances be kept inviolate. One may, indeed, by the arts of interpretation, read things into or out of a treaty—American jurists are masters of involved casuistry—and it is possible in certain circumstances to empty it of all meaning: but once it has actually come into force it is “sacred,” at least in form, and unbreakable as the Covenant which God made with His people. “The most eminent nation in the world is the nation which can and will keep its promise, even when it suffers by it,” said Wilson on July 4, 1914, when he had brought about the repeal of the act of Congress which, contrary to the Hay-Pauncefote treaty, had exempted American ships from canal dues on the Panama Canal. To the naïve trustfulness which animates the American people, contrasting strangely with European distrust, no great difficulty seems to exist in the way of basing international order on treaties and conventions instead of on force. The nations must make up their minds, when good sense and human kindness will easily solve all questions which were formerly decided by the sword. The tremendous material development which America has passed through within a short period has proved to the American people that the world is capable of evolution; it has inspired them with a light-hearted optimism which often leads them, without adequate knowledge, to undertake the most difficult tasks. Faith can remove mountains: if the landmarks of the nations have fallen into some disorder, why should it not be possible to set them up again on righteous principles?

3. NEUTRALITY

From the basic principles of American foreign policy another consequence ensued: so long as the system of international arbitration was not universally accepted the danger of great armed conflicts was still present. If such conflicts should break out, America must remain neutral. “The duty and the interest of the United States require that they should with sincerity

and good faith adopt and pursue a conduct friendly and impartial towards the belligerent Powers"—so the American Government declared on April 22, 1793, on the declaration of war between England and France. "Europe," said George Washington in his last message to Congress, "has a set of primary interests. . . . It is our true policy to steer clear of permanent alliances with any portion of the foreign world."

During the first years of the Great War Wilson tried to maintain and extend the idea of this neutrality. "We have stood apart," he said on December 7, 1915, "studiously neutral. It was our manifest duty to do so. Not only did we have no part or interest in the policies which seem to have brought the conflict on; it was necessary, if a universal catastrophe was to be avoided, that a limit should be set to the sweep of destructive war." As a neutral State, which was not greatly interested in the quarrels of other Powers, the United States tried to confine the havoc caused by war to the belligerents, and to safeguard the interests of neutrals from injury. Their statesmen deliberately sought to force the European Powers to acknowledge the precedence of neutral over belligerent interests, and the universal limitation of the rights of belligerents by the rights of the neutrals. Whenever they themselves were at war, the United States were scarcely more considerate to neutrals than other belligerents had been. But as they rarely went to war, as with them the state of war was exceptional, and as their statesmen did not expect to be often among the belligerents, they looked at these questions, for the most part, from the standpoint of a neutral, not from that of a belligerent. On the one hand, they demanded a very comprehensive respect for the rights of neutrals: on the other, they showed but little inclination to allow their own freedom of action to be unduly hampered by the duties of neutrality. From the notion that a state of war was abnormal and unjustifiable, the demand followed automatically that it should interfere as little as possible with normal conditions. Above all, it must not restrict the trade of neutrals.

Hence, since 1785 the United States have tried to apply the

principle of the Freedom of the Seas. By this they understood the right of neutral States to carry on their trade without fear of interruption by the belligerents. In 1812 they took up arms as a matter of course for the enforcement of this principle, after their interests as freight-carrying neutrals had begun to suffer during the war between England and France. They had tried to safeguard their rights by laying an embargo on imports and exports, as they "prefer in all cases amicable discussion and reasonable accommodation of differences to a decision of them by an appeal to arms."¹ But they did not succeed in carrying their point. Throughout the whole of the nineteenth century (in spite of occasional backsliding during the Civil War) they attempted repeatedly to obtain international recognition of their conception of the laws of naval warfare. Enemy goods and enemy persons must not be taken off neutral ships. At the Hague Conference they pleaded for the widest interpretation of this principle. The American representatives were empowered to propose to the Conference "the principle of extending to strictly private property at sea the immunity from destruction or capture by belligerent Powers which such property already enjoys on land, as being worthy of being incorporated in the permanent law of civilized nations."²

During the earlier part of the Great War they acquiesced in England's encroachments, but they did not sacrifice their principle. With that fickleness which distinguished American policy during this period, they even made it the point of departure in their declaration of war against Germany. "The present German war against trade is a war against humanity," said Wilson in the message of April 2nd.

The insistence on this policy made the United States follow a naval policy which, in comparison with their almost pacifist military policy, was often aggressive, and could scarcely be justified by the importance of the mercantile fleet which they might have to protect.

¹ Johnson, i, p. 263: Madison's Inaugural Message.

² Johnson, ii, p. 361.

4. CONQUEST AND COMMERCE

Side by side with this general mood of pacifism, tendencies of a very different nature have at all times been operative in the United States. The winning of the West and the expansion of the United States to the Pacific Coast represented a vast movement of territorial conquest, which annexed foreign territory as well as foreign nationalities. These tendencies came to a standstill when the Western shore of the continent was reached. But after the Spanish-American War annexionist ideals and annexationist policy became the order of the day. This is proved less by the acquisition of Porto Rico and the Philippines as American colonies than by the extension which President Roosevelt gave to the Monroe Doctrine. Many Latin American Governments had borrowed money on a generous scale. They were not always able and willing to pay the just claims of their creditors. When threatened by various means of political pressure they were inclined to shelter behind the Monroe Doctrine. If the United States, under cover of the Monroe Doctrine, prevented foreign creditor States from claiming their rights from recalcitrant debtors, dishonourable debtors had a good chance of getting off scot-free, or else the United States must act as executors of the financial engagements of such States. Such an interpretation almost implied a claim for a vague protectorate over these regions. And imperialist tendencies were scarcely less clearly visible in the so-called dollar diplomacy recommended by President Taft—an American imitation of the financial methods of imperialistic Europe. Taft suggested that the diplomatic representatives of the States should exercise pressure in the interest of the bankers, who offered to subscribe loans, and of the manufacturers, who wanted their share of orders, which they were not likely to receive if the affairs in question were treated in a purely business fashion, without political intervention. The advocates of this imperialist conception were to be found chiefly in the ranks of the Republican party. Certain financial groups belonged to it

—a few industrial groups (heavy industry), shipping interests and certain well-defined commercial circles. In spite of powerful allies, they represented in point of numbers only a minority of the Republican party, whose voting strength lies with the farmers and smaller business men; before the World War the nation as a whole was little interested in foreign, economic or political questions. The economic pressure which had driven other countries to look to the outside world had not been felt in America since the early New England period. A country whose lands were not even yet completely settled, which for the sake of its own development had deliberately facilitated the immigration of foreign capital and foreign labour on a colossal scale, had no need to pay much attention to the outside world. As long as the country was clamouring for men there was no temptation to employ aggressive political methods to secure opportunities of foreign trade for a mere handful of Americans. And why should American capital be foisted upon foreign nations, and the American public inveigled into investing their savings in foreign securities, and initiated into the mysteries of bad foreign currencies, when in many a city and on the farms of Kansas or Montana good mortgages were to be obtained, paying 8 per cent. interest? America was good enough for Americans. Those wretched Europeans were obliged to emigrate because of the poverty of Europe. Americans, including those born in Europe, were satisfied with the opportunities which Providence had cast into their lap. Apart from the not inconsiderable number of adventurers who were by temperament interested in the opening up of undeveloped foreign countries, they were not tempted to leave their own homeland, which was all the world to them, and where there was ample scope for adventure, and to step out into a greater world.

It was the Democratic party which clung most tenaciously to these ideas. Their ancestors, it is true, had been annexationists before the Civil War. But times had changed. Their strongholds were now the great cities, teeming with European exiles, who hated power and aggression, with which they were only

too familiar. And the "Solid South" needed no additional markets while the world continued to take its cotton.

The Democrats returned to power in 1912, under Woodrow Wilson's leadership, after an interval of twelve years. He was at once an extremely astute party politician and an earnest political philosopher. His political ideas were not original; they embraced the creed which Cobden and Bright had held, but he had systematized them and reformulated them according to the needs of the time. Under his leadership the Democrats tried to throw overboard the principles of imperialism which had been evolved during the twelve years of Republican government; they attempted to return to Jeffersonian principles. They were not willing to foster the foreign trade of the States by methods of political expansion of a more or less aggressive nature, but only by peaceful economic means. The exchange of goods between different nations promoted by mutual wants is in principle distinct from the commerce which results from an imperial relationship, under which "trade must follow the flag, no matter whether the people to whom it is brought want the flag or not." International intercourse, regulated by the principles of a free-trade business policy, is the exact opposite of imperialist policy, which is based upon the acquisition of territory and political domination, and which, under a monopolist policy of protection, infuses some element of coercion even into the simple process of exchanging goods. The policy of securing concessions in China was scrapped, and the Government aimed at the peaceable business penetration of the American sister-republics. The United States did not want colonies and domination, but free access through the Open Door to markets other nations desired to control and to monopolize. They did not want to have a share in those monopolies, but rather to safeguard themselves against their consequences. They declined the offer of a mandate under the Peace treaties, but insisted on equal opportunities in the Mandated Territories.

But strong and in some respects irresistible centripetal

forces had been at work for years, and were beginning to push America from the circumference of the political world into its centre. The Monroe Doctrine, which had once been a simple theory of defence, was becoming more and more a theory of over-lordship and exploitation. James Blaine's dictum: "The Will of the United States is Law upon the American Continent," proves this as clearly as Roosevelt's transformation of the doctrine into the theory of a quasi-protectorate or his machinations in Panama.

5. MISSIONARY FANATICISM

The vast economic development of the last thirty years has had a powerful influence upon America's conception of herself and of the world.

The childish and boastful presumption in which American Philistines so frequently indulged was until recently combined with a certain timidity. They were fond of making bold speeches, since they were well aware of the great natural resources at their disposal: they soon lost heart in an international crisis, because these resources were as yet undeveloped. As the Americans themselves like to express it, the American Eagle was always ready to screech, but as a rule nothing more came of the crisis than a harmless ruffling of his feathers.

In the last few decades a great change has taken place, followed by a sort of revolution in the American attitude toward the rest of the world. The rapacious capitalists in the United States, aiming at monopoly, have over and over again abused their power by ruthlessly exploiting a weaker foreign nation. There is nothing to distinguish these attempts from the profit-seeking business imperialism well known in other countries, from which the Americans may have learned it.

But imperialist ways of thought are not founded solely upon economic calculations of expediency and the brutal instinct of domination. They include in many cases a thoroughly idealistic element. Is it not the duty of an advanced nation to

bestow upon others the institutions which in the eyes of its members have made it what it is? Such a notion appeals with peculiar force to the American mind. The idea of *the equality of all men* which governs the political thought of America derives from an almost unconscious belief in the sameness of human nature in all men. This being granted, institutions which have proved their worth in the United States are capable of immediate transference to other nations. And in so far as these nations are living in the darkness or twilight of political backwardness, they need the light which America can bring them.

The Americans are born missionaries. The notion that they belong to the Chosen People is in their very bones. A few days before the outbreak of the Great War Wilson expressed this thought at a celebration of the anniversary of the Declaration of Independence: "My dream is that as the years go on and the world knows more and more of America, it also will drink at these fountains of youth and renewal; that it also will turn to America for those moral inspirations which lie at the basis of all freedom; . . . I do not know that there will ever be a declaration of independence and of grievances for mankind, but I believe that if any such document is ever drafted, it will be drafted in the spirit of the American Declaration of Independence, and that America has lifted high the light which will shine unto all generations and guide the feet of mankind to the goal of justice and liberty and peace."

It needs no strong incitement to let loose the fanaticism of the democratic missionaries of civilization in America. In Europe the elect consider themselves superior to other people; their conception is aristocratic, and leads to the caste segregation of the favoured ones; in America the notion is democratic, and impels them to share their advantages with others. These impulses have in many cases been so strong as completely to ignore the practical side of the issue: it was only through bitter experience that America came to understand that the Philipinos, for instance, "the little brown brothers," could not be

made into genuine Yankees by a simple transfer of American institutions.

From the nature of the case such ideas have often been inseparably intertwined with extremely shrewd practical business considerations. They have by no means prevented the American people from committing immoral political actions; on the contrary, expert wire-pullers have repeatedly succeeded in exploiting its idealism for selfish ends. Egoism, idealism and loyalty are curiously intermingled in the human heart. The majority of the white inhabitants of the Southern States who offered their lives in the Civil War had no personal interest whatever in the continuation of the system of slavery which they were defending. They imagined that they were fighting for national self-determination, while they were only defending the narrow interests of an aristocracy of planters who had misread the signs of the times. For the very reason that this was so in the past there is a certain danger that it will be so in the future. One must always reckon with the possibility that America's attitude to world affairs may not be the logical result of natural factors, but will be decided by certain groups who will break the opposition of the great masses of the people to their policy by an appeal to American idealism.

The American people are full of a warm-hearted optimism. With few exceptions either they or their ancestors escaped from more or less oppressive conditions in the Old World; driven forth by political or religious persecution or poverty, they reached the wide expanse of the Promised Land, which was flowing with milk and honey for everyone who could work. They saw the hand of God in their safe arrival and their successful dissemination over the wide continent. The deepest roots of their religious life drew nourishment from Calvin's doctrine of Election. Success clearly proved that they belonged to the Elect.

So, quite naïvely, the Americans believe that the results of their actions in the past manifested the will of Providence, and that the aims towards which their actions are striving today are ordained by God. They seem to hear the voice of Providence

in every motive which drives them on to action. Irresistible destiny forces them to take up tasks which appeal to them on ideal or material grounds: they take their accomplishment as proof that the satisfaction of their appetites is in accordance with the Divine dispensation and their "manifest destiny."

The naïve conception of the will of Providence (Providentialism) which identifies destiny and one's own selfish desires has often led to a reversal of America's peace policy. That this should occur is not a proof of hypocrisy: it is merely another proof that on the loom of Time, whereon the fate of mankind is being woven, the woof of noble thoughts is inextricably intertwined with the warp of base interests.

"God has made us the master organizers of the world, to establish system where chaos reigns," said Senator Beveridge on January 9, 1900. "He has made us adepts in government, that we may administer government among savage and servile people. . . . And of all our race, He has marked the American people as His chosen nation, to finally lead in the regeneration of the world."

In the average American there lives a Crusader, but this Crusader is not always engaged in a crusade, nor is he continuously inspired with the pure crusading spirit. The same mixed feelings are contending within his soul which once inspired those knights who undertook the liberation of the Holy Sepulchre. They did not, in fact, free the Holy Land from the rule of the infidel, but they won rich grants of land for many of the Crusaders. This crusading spirit found a vent in the mad heroism of John Brown, as well as in the dirge which filled the hearts of his followers with ecstasy; it rolls like the voice of a mighty organ through the Battle-hymn of the Great Army of the Republic:

"Mine eyes have seen the glory of the coming of the Lord,
He is trampling out the vintage where the grapes of wrath
are stored,
He has loosed the fateful lightning of his terrible swift sword,
His truth is marching on.

"In the beauty of the lilies Christ was born across the sea,
With a glory in His bosom that transfigures you and me,
As He died to make men holy, let us die to make men free,
While God is marching on."

And it was the preaching of a crusade which drove the peace-loving masses into the World War. For their fear and hatred of Germany would not have been strong enough to make the American people cast to the winds the principles which George Washington had instilled into their minds: to keep clear of entangling alliances with European Powers. A crusading note rings ardently through the Fourteen Points, and through the din of the battle which their framer Wilson fought for their realization.

6. SELF-SUFFICIENCY

The disillusion caused by the Treaties quickly dispersed these elevated moods. Some were disappointed with the result of such a vast effort, an effort which had failed to realize the high ideals of the United States: others were alarmed because America had renounced the principle of isolation and had become involved in the affairs of Europe. A combination of opposing forces gave Wilson's enemies the chance to reject the Peace Treaty, and above all to refuse participation in the League of Nations. The American idealism to which he appealed was not strong enough, after the disappointments which it had suffered, to help him to victory. Its supporters are not properly organized in definite political cadres. Apart from the Intellectuals—the High-Brows—who are scattered all over the country, and are nowhere numerous enough to affect the balance of political power in the single States, its voting strength is concentrated in the Middle West and the Far West. But the idealistic political radicalism of these regions has always been directed to home issues. The radical farming democracy of States like Kansas and Nebraska, which had long been led by William Jennings Bryan, was essentially provincial

in its outlook. It was always willing to vote against the encroachments of monopolist capitalism in business and in politics. Interest rates on mortgages, the price of corn or wheat, and the cost of raising pigs limited its range of vision. It took little interest in the international world; its horizon was completely filled by the endless prairie. An echo of Mexico's unrest was now and again heard in the South-Western corner. The problems of the Far East, regarded with the possibility in mind of a Japanese attack upon California, alarmed the Pacific Coast: they seldom had any repercussion upon the eastern slopes of the Rocky Mountains. The Northern and North-Western States were interested in Canada as one may be interested in the yet undeveloped property of a friendly neighbour, who does not raise any objection if one wants to walk across it, and who is believed to be willing to sell out at any time. The people of these States knew next to nothing of foreign affairs, and wished to know nothing: some because they were native-born Americans, to whom Europe had given nothing, others because they were natives of Europe, to whom Europe had given too little; some because they bore a grudge against a fatherland which had exiled them, others because they hated the enemies of a beloved mother-country whose prejudices they had inherited. By this Middle West George Washington's warning against the contraction of entangling alliances was taken deeply to heart.

The United States, nevertheless, had taken the field in Europe, to put an end to European imperialism. But imperialism had been victorious. As they had made possible its success in the War, they could not check it at the conference table. But they could free themselves from the entanglements which threatened to bind them to Europe, lest America should be infected by the poison of an outworn civilization. For Europe to them was Sin. "Free from Europe" became their slogan. Only the financiers, and a small group of intellectuals, which included many women, kept alive an interest in European affairs. Though their knowledge of high politics may be superior

to that of the majority of Europeans who take an interest in such matters, they formed only a small group, whose influence was not sufficient to convert public opinion. The masses of the American people, outside the coastal regions, and especially the Middle West of America, think provincially—perhaps not much more provincially than the European Philistines and the European quasi-intellectuals who make fun of them—but the vast extent of their province cuts them off with peculiar sharpness from foreign affairs.

In this they present a not inconsiderable contrast to the Canadian Middle West, whose capital, Winnipeg, is a prairie town of moderate size, which differs outwardly from its American sisters only in the more easy-going rhythm of its existence. Its population includes immigrants from the whole of Europe, but on a much smaller scale than, for example, the American wheat metropolis, Chicago. But the Canadian prairie is a part of the British Empire, and bound to Europe by its European connections. Moreover, in its capital, which lies in the centre of the great continent, somewhat farther West than Kansas, public opinion has an international outlook, because its wheat is the most international commodity on earth. Under the guidance of an intelligent Press the wheat farmers of Manitoba had learned to take an interest in the circumstances of their overseas customers, while the farmers of Kansas and Iowa, whose bacon, maize or wheat placed them in a similar position, still gave little thought to the foreign consumers. The United States were good enough for them. They knew that they were the salt of the earth, and did not trouble as to what was going on elsewhere. They did indeed grumble at a fall in wheat prices, but this they regarded simply as a domestic matter, for which the Government, notoriously hard of hearing and dependent upon the Eastern capitalists, was largely responsible. They wanted to know nothing about the economic connection with Europe, and desired to order their lives as though it did not exist. On the one hand, they were fully aware of their power and strength, and were dimly

conscious that they alone, of all nations upon earth, had been able to attain to a great measure of economic self-sufficiency at the cost of a comparatively small sacrifice. On the other hand, they were naturally unwilling to pay the price of this self-sufficiency, as they were bent upon the disposal of part of their produce in the world's markets. Nor were they inclined to draw the necessary conclusions from this economic interdependence; they treated the existing situation, which had arisen from the expansion of international exchanges, as though it embodied their ideal of self-sufficiency, which they had long ago abandoned. They succeeded, at the outbreak of the crisis, in making their Government corner the home market for agricultural produce: the Farm Board was created to buy wheat and cotton, with the object of keeping their prices above world market prices. Before long it was holding 250 million bushels of wheat and 1.3 million bales of cotton, which could be disposed of only with a probable loss of 250 million dollars. For a time it kept the home wheat prices considerably above world prices. For quite a long period the doctrine of American self-sufficiency dominated the economic situation.¹ It held the field in international politics until export difficulties forced the exporters to take an interest in the welfare of their customers—who, thanks to the inter-allied debts and the big loaning operations of the prosperity era, happened also to be their debtors.

American public opinion, moreover, confounded the concept of political and economic self-sufficiency with the ideal of absolute sovereignty. The sovereignty of American democracy is unrestricted. The people itself, and the people only, or rather the majority, can give shape to its will, make it known and enjoin it. But the instruments which it chooses to execute its will—the President, the Senate and the House of Representatives—have a term of life limited to four, six and two years respectively. Hence, even if President, Senate and House of Representatives are in full agreement they cannot stabilize

¹ Walter Lippmann, *The United States in World Affairs*, pp. 20-2.

the will of the sovereign American people beyond their own term of office. This being the case, the United States, who have always advocated the ideal of extensive co-operation between the nations based upon international treaties, are really quite incapable of making international agreements which will bind them permanently. American jurisprudence rejects this view; but public opinion has often played with the notion that the American nation has an inalienable right to change its mind, and that existing treaties must be altered as public opinion alters. For instance, when the question arises of honouring an undertaking entered into with full legality by a former Government, and if meanwhile the feeling of Congress has undergone a change, it has been repeatedly pointed out that the American people constitutes a sovereign democracy; it can indeed give a promise, which it will intend to keep, but as it enjoys complete sovereignty it has the right to change its mind. The will of the people must in no case be prejudiced by treaties. Whenever the American people gets into this humour it becomes the anarchist amongst the nations.¹

The refusal of the United States to join the League of Nations was due partly to their intense disillusionment with Europe, but partly to their old conception of unfettered sovereignty. They declined to allow the intervention of non-American States in American affairs, even by way of arbitration. They would neither be compelled to acknowledge its awards, nor bound in duty to exert their authority in purely European quarrels. Since the War of Independence the United States have never been obliged to sacrifice their material independence to alliances, as was often the case with European nations long before the War. They are unwilling to sacrifice it today. They are without dangerous neighbours, because they have succeeded, thanks to the Monroe Doctrine, in keeping all possibly un-

¹ Council of Foreign Relations, *American Foreign Relations*, 1928, pp. 108-9. There are quite a number of treaties which have been abrogated by the United States without the previous consent of their partners.

friendly next-door neighbours at a distance. They were the only intelligent nation in the world which regarded itself as being really independent, and which was trying to supplement the independence that geographical isolation had conferred upon it by political isolation. This endeavour was clearly seen in the stipulations with which they declared their readiness to take part in the Permanent Court of International Justice. They desired no responsibility of any kind beyond the American frontiers. But they have shown their willingness to co-operate with other nations in the cause of peace; they became the sponsors of the Pact of Paris. By this they succeeded in impressing upon other nations their view that war is not a proper method of settling international disputes. They are willing to allow other nations who share their views to consult with them, but they jealously guard their liberty of action.

Their notion of American frontiers is a matter of sentiment; it does not in any way correspond with the actual boundaries of countries and populations. Quite instinctively and naïvely they comprise Canada and Latin America in their concept of a self-contained American territory. They have, for example, limited European immigration in order to prevent the inflow of Catholic and Latin peoples of an inferior stock. But until the last depression they kept their doors wide open not only to the French Canadians, but also to the Mexicans. By utterly ignoring distance and racial distinction they can regard Latin America as the contiguous elongation of their homeland, not to say their home province. All the Latin American States are situated in America, and nearly all the Latin American States enjoy federal republican constitutions, fashioned more or less after the American pattern. Public opinion vacillates as to the proper way of dealing with them. The United States are sometimes regarded as the elder brother, who has to see that the naughty younger children don't misbehave, but live up to the family's political and moral ideals. At such times intervention of some sort may follow; at other times the children are left to themselves. Their Governments, even those of revolutionary origin,

are recognized as soon as they are in full control and willing to fulfil their international obligations.¹

The economic activities of the United States in these countries are not always approved, but they are seldom regarded as violating the ideal of self-sufficiency and self-containment. If a considerable fraction of public opinion in the United States observed the activities of American capitalists in these countries with a certain mistrust, this mistrust was of the nature of the anti-Trust feeling, which has always been strong in the States. Thus the oil policy of some of the great concerns in Mexico was looked upon as a resurrection of that rapacious capitalism which had lately been kept within bounds at home. There was a revolt against its machinations when it tried to bring about the intervention of the American Government in Mexico. The Coolidge Government was dissuaded by the pressure of public opinion from taking the aggressive action which would have suited the wishes of the oil interests, and a great "Liberal" victory was thus gained.

But the penetration of American capital, as such, into the Latin sister-State is held to be completely justified. And it goes without saying that the rights of the capitalists must be respected as scrupulously as the rights of other American citizens.

The economic expansion of the United States in Latin America is influenced mainly by political considerations, or even sentiments. Their policy does not check the economic competition of the European States, but through the Monroe Doctrine it deprives them of the possibility of settling political questions otherwise than by the mediation of the United States. It has thus prevented any imperialistic activity on the part of Europe. Protecting the sister-republics does not win popularity for the United States; they are often regarded as an unwelcome protector, whose protection is more to be dreaded than the dangers which he keeps at a distance.

¹ Walter Lippmann, *The United States in World Affairs*, pp. 61-8.

7. ECONOMIC ENTANGLEMENTS

While the popular view of the foreign policy of the United States in respect of Latin America is based on geographical misconceptions, and on purely sentimental political fictions of long standing, in respect of other regions it has been determined by economic development. The United States early turned their attention to the Far East. In the beginning they used rather violent methods; they coerced Japan to open her ports. They have since completely changed their ways, substituting a policy of commercial expansion for one of territorial annexation. The United States originated the policy of the Open Door in China. They systematically opposed the partition of China, and by means of their missions and schools they introduced their democratic ideology to the Chinese. In spite of their possession of Hawaii and the Philippines, they have always been averse to the extension of colonial control in China. They tenaciously fought the Japanese encroachments during and after the Peace Treaties. American public opinion sympathized with China when she was rebelling against the Capitulations and the one-sided commercial treaties. Under the influence of the missionaries the Americans learned to regard the Chinese as their oppressed brothers, who must be protected from Japanese militarism and British imperialism. To many of them the anti-English boycott in China was, in a certain sense, a sort of continuation of the War of Independence against George III; Japan's annexationist attitude in the Shantung question, and her doings in Manchuria after she had signed the Kellogg Pact, branded her as a military State, unwilling to renounce war as means of expansion. It aroused anti-Japanese feeling in the United States even in those circles which had never been affected by the fear of a Japanese invasion that had haunted the Pacific States, and had led to the troubles of the anti-Japanese immigration legislation.

The foreign policy of the United States in Latin America and the Far East is not an imperialist policy in their eyes. Nor

is it the negation of the policy of political isolation, for in their view the two Americas are parts of one continent, and in the Far East they are working for trade, and not for control.

But the economic developments of the last forty years have brought about a state of affairs in America which can no longer be adjusted to a policy of isolation, even though the desire for isolation is accepted as the core of the Monroe Doctrine. True enough, the United States draw the supplies for but 6 per cent. of their total consumption from abroad, and only 7 per cent. of their total production is sold abroad. These averages falsify the dependence of many branches of industry on foreign supply and demand.¹

The insistence on the Open Door in China showed clearly enough that as early as 1899 the United States were in need of foreign markets. The steady increase in the physical volume of production, and of the productivity of American manufactures, has forced the country to look to the markets of other lands. Though raw materials and foodstuffs still play by far the most important rôle in the export trade, a decisive change has been visible since 1922; since that date the value of exports of machinery has been doubled, and the value of automobile exports has been multiplied fivefold (1928).² The increasing output of completely manufactured goods is dependent on exports. The output of an industry cannot be multiplied indefinitely by doubling and trebling home wages in order to create new consumers with each increase. Though prices may fall, and costs of production be reduced, at some level the saturation-point for the home consumption of certain classes of goods will be approached. The manufacturer is therefore obliged to go abroad, for he must have customers. The export trade can be maintained and developed only if the purchasing power of foreign nations can be increased. American commercial policy has become more protectionist than ever. It has succeeded in influencing

¹ Ernest Minor Patterson, *America—World Leader or World Led?* p. 131.

² *Recent Economic Changes*, p. 716.

the balance of trade: while exports have risen by 1,000 million dollars (1923 to 1928), imports have increased by only 300 million. Simultaneously immigration has been restricted. Foreign countries can no longer pay for American goods in goods and services. They could go on consuming them only if the United States were willing to advance the necessary money. And as they themselves are protecting their home markets by high tariff walls, they force the American producers to export capital in order to open branch businesses on the other side of the barrier.

The United States have become the great money-lenders of the world.¹ During the War the United States Government advanced nearly 10 milliard dollars to their allies. American private investors lent more than this amount—namely 12 milliard dollars—to all sorts of foreign debtors in the years 1921–8. While the American Government was anxiously avoiding every political tie with Europe, the banks, the great financial houses and the manufacturers pursued, with its consent, a deliberate policy of economic interdependence, by the granting of loans and credits. If their attention was drawn to the fact that payment of interest and sinking fund would be fraught with difficulty in a protectionist country, and that England, their great example, had become the world's creditor by building up her international finance on the broadest conceivable foundation of free trade and free shipping, they explained that there was no need for the return of the interest to America. American tourists could eat up the balance due to their country by living abroad. Or the money could be earmarked, and remain abroad in the shape of new loans. If this process had been carried out to its logical conclusion the outcome would have been a steadily growing indebtedness to America on the part of all foreign countries. A day must have come when every country under the sun would have owed tribute to America, and the world would have been divided into American creditors and non-American debtors. However much one might emphasize the fact that

¹ *Recent Economic Changes*, pp. 752–3.

this economic relationship would be a private one, having, outside the inter-allied debts, nothing to do with politics, the supervision which the American Government claimed to exercise over the lending activities of the banks proves the contrary. This supervision had nothing to do with the intrinsic value of the loans; its aim was to fit them properly into the total scheme of American foreign policy. There is, moreover, scarcely any political relation so close and so dangerous as the mere economic relation of private debtors and private creditors. It was but forty years ago that the American West tried to free itself from the thralldom of Eastern capitalism, revolting against its debts in a movement which culminated in Bryan's great propaganda for the remonetization of silver. America forgets quickly—perhaps even more quickly than Europe. She may have forgotten the famous speech in which Bryan called upon the debtors to rise against their creditors, and, in what seemed to be a spontaneous outburst of passion, but was in fact the result of careful preparation, denounced in these words the Eastern capitalists' support of the gold currency: "You shall not press down upon the brow of labour this crown of thorns: you shall not crucify mankind upon a cross of gold." The recent debtors' revolt, which forced her off the gold standard, has clearly demonstrated the danger of over-lending.

Events proved that the notion of keeping economics and politics in separate watertight compartments could not be maintained. As soon as the United States ceased to make new loans to meet the interest due to them on the old loans, some of the debtor States began to get into difficulties; and when they recalled the old loans, especially the short-term loans, either because they needed the money or because the American investor was caught in a panic, the economic structure of the world began to shake; credits froze and investments depreciated. A howl arose against those wicked foreigners who had wasted "other people's money." The debtors broke down and could not pay, and as the consumers could not consume, except by virtue of a kind of international system of hire-purchase, purchasing power

collapsed, and with it the possibility of exporting the surplus of which the home market could not dispose. People who had been stung by rashly entering into international economic relations yelled louder than ever for the maintenance of economic self-containment. The tariff was raised once more; even colonial produce was to be excluded. The same people who had fought Philippine independence tooth and nail began to favour it as a means of keeping sugar and hemp off the American market. But self-containment could be had only at a price: if all foreign debts were wiped out, political debts as well as private debts, the United States need no longer worry about their foreign debtors. They might even be able to sell abroad again, and on an increased scale, if the debtors could use their income for paying for new goods instead of paying for old goods obtained on credit and long ago consumed.

This way out was not popular. Since the United States had set out to become the first creditor country in the world, the inviolability of loan contracts had become a question of life and death for them. For that reason the United States Government demanded, with great emphasis, not so much the repayment as the acknowledgment of the War debts on the part of the different European Governments. "Didn't they borrow the money?" President Coolidge is reported to have asked in astonishment, when the cancellation of the French debt was first proposed to him. The attempt of France to elude the acknowledgment of her debts by putting off the ratification of the Debt Agreement offended the fundamental American concept, that the world rests on the sacredness of treaties. The acknowledgment of former loan obligations was an essential guarantee for the security of all future public and private loan transactions.

The logic of events was stronger than abstract reasoning. The American investors had to accommodate themselves to the situation of their debtors, as other creditors had to do. And the United States Government had to propose a moratorium for its political debts. It has even to face the possibility of their

complete writing off. For the taxpayer of the United States has to choose between a claim on interest from abroad, which may ease his burden of taxation, and a market for his commodities. Whatever he may decide, he is economically entangled with the rest of the world, and he is not politically isolated from it.

8. IMPERIALISM

A steadily-growing economic entanglement, if it is not to become dangerous, presupposes certain political conditions: international business relations must not be interrupted by the sudden outbreak of war. A country which has taken its economic stand upon the policy of self-sufficiency may indeed be politically disturbed by the vicissitudes of war, but the foundation of its everyday life will not be threatened. On the other hand, a country which for good or evil is economically bound up with other countries will no longer be able to maintain its political sovereignty—in the old sense of the word, which denoted complete independence.

It is more difficult for the United States than for other countries to grasp this situation. In the first place, they are economically much more self-contained; in the second place, they are politically protected by their geographical position; and thirdly, through the development of their political life, they are much more thoroughly imbued with the notion of absolute sovereignty than are the nations of Europe. For that reason many Americans have refused such ties as the membership of the League of Nations would involve. They refuse to be under the obligation to bring the national forces to bear in obedience to an international treaty which would take the decision out of the hands of the sovereign American people. They have, however, taken a twofold action which is in accordance with their historic attitude and satisfactory to their increasing economic development. Firstly, by means of the Kellogg Pact they have pledged all nations to the renunciation

of war. They have thereby attempted to stop once for all the disorganization of international economic relations by war. Secondly, they have endeavoured to diminish the danger of war—the only danger of war by which they themselves are threatened—by means of naval disarmament. If in this matter they insisted upon complete parity with the only non-American sea Power which was stronger than themselves, this was necessary not so much on account of national security—for their position as a self-contained continent makes them more secure than the British Empire, which is distributed all over the globe; it was due in part at least to the notion that they must demonstrate their absolute equality to all the nations of the earth. They had, moreover, a very strong political reason. They are upholding the principle of the Free Seas against England—the demand that international trade must not be rendered impossible in time of war. Since the initiation of their foreign policy they have always upheld the principle that trade between neutrals and belligerents must not be interfered with by either contending party. To this they still hold, although they themselves could dispense with its protection, being less dependent than other Great Powers upon foreign supplies and markets abroad, while at the same time their navy is a serious menace to an opponent more dependent than themselves upon international communication. When President Hoover formulated the claim that in case of war ships bearing foodstuffs should be granted the same immunity as hospital ships, he was advocating a threefold right: the right of American commerce, and especially of the farmer, to an open market even in war time; the right of humanity, which revolts against a hunger blockade; and the ancient claim of American sovereignty to free movement upon the ownerless domain of the Open Sea.

English public opinion, which has hitherto rejected the principle of the Freedom of the Seas, might be acting wisely in accepting the American view: the British Empire, by reason of its scattered geographical position, and its economic entanglements, both international and inter-colonial, is much more

dependent than the United States on the free transit of goods in war time. It must be doubted, after the experiences of the Great War, whether in another war this flow of commodities could be maintained, even by naval superiority, and whether such a command of the seas as could guarantee its safety is any longer possible.

The steps which the United States have undertaken in this direction show clearly that economic entanglements make political action and intervention necessary, whether one likes it or not: they also exhibit the logical consequences of the principles of the American foreign policy.

American foreign policy has always been anti-militarist. It is true that a victorious general may have been enthusiastically applauded: but neither he nor his colleagues have been allowed to exercise any military influence upon political life. This may not be equally true so far as the Navy is concerned. The Navy and the Navy enthusiasts have occasionally tried to get into politics, partly because they could count upon support from a certain traditional anti-English feeling, and partly because they were backed up by great business interests. But in spite of all, political America is a civilian country, where there is no place for militarism: American policy is peace-loving, but it is in no sense a policy which is on principle opposed to the display of force.

Armaments played no considerable part in Woodrow Wilson's great pronunciamientos, the most systematic presentation of American policy in modern times. Not only because Wilson desired the elimination of coercion as such, but chiefly because of his conviction that the age of purely military coercive weapons was over, and that an age of economic coercion had begun. In future disturbers of the peace must be prevented from making war, or be annihilated in war, not so much by military as by economic pressure.

The United States control a vast amount of economic power. They are well aware of this fact. So far they have not made any systematic attempt to employ it for the ends of their foreign

policy. The American business man, who is in command of these economic forces, is not a conscious imperialist, even though he may sell American goods in foreign lands, exploit their natural resources, negotiate loans with foreign nations and establish enterprises in all parts of the world. Neither by origin nor by training does he spring from an ascendancy class which looks upon wealth and the making of money as a means to power. The nation of shopkeepers, whom Napoleon believed himself to be fighting in England, is rather to be found in the United States, where even the pioneers were not conquistadores, bent on winning kingdoms and subduing nations, but men in search of a home for themselves and their family. The American business man who trades with other lands is quite willing to use the economic power over them which control of capital has given him, and to increase the profits of his undertakings by the exercise of political pressure. He rarely does so with the object of gaining political mastery.

The Americans do not want to rule their fellow-men; they want rather to make money out of them. Even the professional politicians are mostly interested in power as a source of profit. The days are over when the hope that he might become a congressman or a senator filled a young man's heart with ardent desires. Religion and politics take second rank when people believe that leadership belongs to the heaven-sent captains of industry. For this reason few prominent business men enter active politics.

Successful American business men sometimes, it is true, choose to enter the diplomatic career, often perhaps to please their wives, to whom a Court offers a glamour which outshines the attractions of the most exclusive American set. In most cases, however, the men see a chance of playing a big game such as they cannot play at home, full of personal risks and possibilities; and a great many of these amateur diplomatists have done extraordinarily well, not only for their country, but for the world at large. Apart from this kind of political career, political activities and political objects are not rated highly.

In the United States themselves the great economic interests are in the habit of using the political machinery for economic ends; but they do not aim at political power as an end of human ambition. Nor is it otherwise in foreign politics. American men of affairs pursue definite practical objects in all parts of the world for the furtherance of their business interests, without secret political designs. They have been known to organize revolutions through their agents, and to overthrow undesirable Governments whose ways interfered with their plans, but when they have taken part in such politics it has been in the interest of their business. They do not care for the business of politics as an end in itself. The combination of business schemes with the romance of opening up a continent, of empire-building, which was so characteristic of the imperialism of a Cecil Rhodes, has attracted an occasional American statesman, but never a genuine business man. The empire builders of the American continent have as a rule served their country as congressmen and senators only when their political participation was essential to the safeguarding of their corporation interests. Hence it is the high-brow reformers of the world rather than the business men who sound the note of imperialism in the United States, although for the moment they have called a halt to their missionary labours, except in China.

But the business men have been incessantly extending their activities. The Government has repeatedly denied that business connections may lead to political involvements. They have belittled the political character of international debts, of inter-governmental as well as private debts. They have emphasized the self-containing character of the American Commonwealth, but they have not succeeded in keeping it out of the maelstrom of the great international depression. The extra-territorial expansion of business has produced a situation from which the American nation is unable to escape. It has rejected political involvements, but it has suffered, and even fostered, the growth of economic entanglements which are much closer and more personal than political ties. From these involvements, neither

clearly felt nor openly desired, nor even consciously entered into, friction may result, as it did in the case of Mexico. Herein lies the great danger, for the world and for America. It does not arise from the fact that the United States wish to conquer the world, but simply and solely from the circumstance that America's economic involvement with all parts of the world is daily growing closer and more irresistible. The crisis and the demand for self-sufficiency so loudly voiced in many countries may check the movement for the time being. The people of the United States will not give up the hope of economic expansion once a settlement is in view. Despite all protestations of isolation, the United States are becoming increasingly implicated with the other countries of the world. Outside the Soviet Republics the prevailing economic system of the world is the capitalist system, which has reached its highest development in the United States. It was never challenged until the Russian Revolution, for the different Utopias outlined by theorists did not constitute a serious challenge. It is challenged today by the mere existence of the Soviet Republic. And since the outbreak of the great crisis it has ceased to work successfully, even in the United States. If there is no change for the better, if capitalism does not succeed in producing such results abroad as it did in America during the days of prosperity, a wave of discontent will inevitably break over the United States. No laws restricting immigration would suffice to avert this danger: a much more rigid system of protection for the exclusion of foreign products would have to be resorted to, which in its turn would not only make the repayment of loans impossible, but would also endanger America's foreign markets. These markets are a necessity if a sufficient profit is to be made from her farming and from the enormously increasing productive capacity of American industry. For that reason the Government of the United States insisted on the necessity of stable currencies before they went off the gold dollar as a result of a debtors' revolt. It has given up this attitude very suddenly, when economic isolationism rushed to the front, regardless of hopes and

promises of international co-operation, which its representatives had been voicing all over the world. Charity begins at home; and in a country with a long-established protectionist tradition an intimate affinity of economic policy with charity cannot be denied. The American conception of sovereignty seems to justify the people in turning back suddenly from the world at large, and in breaking, without much hesitation, contracts of which they had been proclaiming the sanctity. These moods will pass.

But though they have embarked upon devaluation, they have not advocated continual fluctuations. They ultimately want currency stability all the world over, for without it exports are not safe. And they may be quite willing to pay for the opening of foreign markets by the loosening of their own tariffs.

Before foreign markets can be exploited on a large scale it will be necessary to raise the economic standard of many foreign nations. This implied not only the introduction of American capital, but also the introduction of American methods of production. A sort of capitalistic colonization was initiated, which, without any political ambitions, or any political sense of responsibility, aimed at conquering the markets of the world, preaching to a world which was often unwilling to accept it the gospel of economic efficiency as understood in America. It has come to a standstill for the time being on account of the world depression, but it is bound to be resumed. If friction occurs, if the gospel encounters resistance, if foreign nations decline to accept the ideal of civilization which America represents, the missionary fanaticism slumbering deep down in every American soul may suddenly awake. America does not want to rule foreign nations; she wants to elevate and convert them. It is, however, conceivable that government by saints may result in greater dangers to the world than government by sinners, as the sinners know something of the business of empire, while the saints may be trying to establish the empire of business.

CHAPTER V

ECONOMICS

I. THE LAND

The industrial development of the United States was determined in the first place by their vast natural resources.

Before the advent of the crisis the United States of America furnished two-fifths of the world's coal output, seven-tenths of the mineral oil, nearly all the mineral gas, and a third of the water-power of the world. Almost 50 per cent. of the world's iron and steel output was produced in their workshops.¹ One has only to mention copper, lumber, wheat, maize and cotton to realize the natural wealth of the country. To these must be added such geographical advantages as easy transport, which made trade possible before the advent of our modern means of communication. Long before the great pioneer railways cut into the heart of the continent the giant rivers in the South and East and West opened up the wealthy inland districts to traffic. The mighty chain of lakes and rivers which connects the heart of the continent with the Atlantic Ocean linked the prairies and the forests to the coast and the rich iron districts of the North-West to the long-settled Eastern States.

The most important of all these resources was the land and its treasures. Thanks to the Federal Government's land policy its acquisition was placed within the reach of almost everyone.

The development of this policy of cheap land grants—"the free land policy"—coincided with the construction of the great transcontinental railways. The combination of legal and technical facilities in the opening-up of the country led to the rapid settlement of the fertile West. By 1890, when the construction of the great continental railway was practically completed, the bulk of the land suitable for small farmers

¹ *Recent Economic Changes*, p. 79.

without capital, which could easily be cultivated without irrigation, was already disposed of.

No empty spaces were any longer available for the formation of new territories. The passing of the colonial age was clearly visible during the last decade of the nineteenth century.

For more than a century the Government had sold land at comparatively low prices. Since 1862, the year of the first Homestead Act, farms had been granted to small settlers on very easy terms. As early as 1787 the land was divided into townships, squares of 36 square miles. The square mile of 640 acres was divided into quarter-sections of 160 acres each. A quarter-section was allotted to the settler in return for a nominal registration-fee. It became his property (at a dollar and a quarter the acre) at the end of five years, provided he had brought it under cultivation and built a dwelling-house upon it.

The pioneers were driven westward by land hunger. They were led on by the hope of winning field and forest by their hard labour, so that they might take possession of the land, and live there in splendour:

“When we’ve wood and prairieland,
Won by our toil,
We’ll live like Kings in Fairyland,
Lords of the soil.”

So they had sung, since the eighteenth century, on their march westwards.

Many of the pioneers never settled down. As soon as they had brought a farm under cultivation they sold it, and with the proceeds they journeyed farther West, toward the Land of the Setting Sun, to begin the task anew. Speculation was united to romance. For the farmer did not expect a regular net income from his farm; he was satisfied as long as he could pay for his outgoings, and he got his real reward—his deferred compensation—when he sold the farm for cash to a newcomer. Thus it went on through the whole of the nineteenth century: there were pioneers who changed farms as many as four times; in

the end they let or sold their last farm, and as old people they settled down to rest in California. They journeyed in Fords and Chevrolets towards the coast, and invested most of their savings in a small house. Hundreds of them might be seen there, touring about in the perpetual sunshine of Southern California in their old-fashioned, high-backed cars, the design of which plainly reveals their kinship with the carriages of the days of our grandfathers.¹

The opening-up of the American continent was not only a great adventure in colonization, but also a vast business speculation, carried out, for the most part, on the instalment system. For many decades the Federal Government sold land at low prices for deferred payment. In the days when it demanded payment in cash the banks intervened, and advanced the purchase-price to the buyer. If all went well the farmer had little difficulty in paying off the debt in a few instalments. If things went badly the remaining payments could be cleared off only in the course of many years. Whenever an agrarian crisis arose the payment of these debts became difficult. Then the farmers let their titles lapse and went farther West into the goldfields and the lumber camps, or, as broken men, returned to their former homes. Of the 608,677 persons who between the years 1862 and 1883 had received under the Homestead Act free quarter- and half quarter-sections (160 and 80 acres), on the condition that these should become their property after five years' residence and proper cultivation, only 213,486 took up their titles. Often enough even the farmer who had settled down did not get out of debt; for after he had paid for the land, or received it without payment under the Homestead Acts, he repeatedly needed capital with which to equip his farm, or to work it on a more intensive system. He borrowed the money from the bank. If prices fell, or if gold values rose, as was the case after the stabilization of "greenback" notes after the Civil War, he got into difficulties.

To meet the needs which arose with the opening up of the

¹ M. J. Bonn, *The Crisis of Capitalism in America*, p. 43.

land, the bank everywhere followed the farmer. But the American bank was for the most part a small enterprise, which derived its strength from local business. Before the crisis, when the big banks, domiciled in New York, appeared to many like a great capitalist octopus, drawing everything within its arms, the United States still counted more than 24,000 separate banks. In this respect the contrast with Canada is particularly interesting. In this newest of new countries the requirements of credit have been met by half a dozen large banks which have spread a network of branches over the whole land—a state of affairs unknown, and until lately not desired, in the United States. This close connection of small banks with the farming industries has recently betrayed the weakness of the entire system. When the prices of agricultural products are falling the security of the banks disappears; they must quickly foreclose, or ultimately shut their doors. Of the 5,091 banks that failed in 1930, 1931 and 1932 many were small local banks whose prosperity was bound up with that of the farmers. But although they have failed in the present crisis, they did much in the past to make possible the agrarian democracy which has long been the backbone of the social development of the United States.

There have been serious difficulties from time to time, when the farmers have begun to revolt against their creditors. Even before the agitation for free silver carried William Jennings Bryan almost to the doors of the White House, the country stood more than once on the verge of a violent repudiation of debts. But again and again the matter has been adjusted. For the social and economic history of the United States is really a history of a huge speculative boom in real estate, a boom on the grand scale, which, though interrupted by occasional set-backs, has proceeded upon the assumption that each and every buyer of land will ultimately obtain deferred compensation in the shape of a belated purchaser. As the country became more thickly populated, and as, by immigration and cultivation, the land was turned to better and better account, it naturally rose

in price. The average value of an acre of fully-equipped and cultivated farm land rose from \$13.50 in 1850 to \$81.50 in 1920: and the value of the land alone increased, between 1900 and 1920, from \$15.60 to \$57.40.¹ It was an article of faith with the American people that the first occupier who brings the land under cultivation should enrich himself at the cost of the second, to whom he sells the farm; but this second buyer will not be a loser, for a third and a fourth are sure to follow him, both of whom will expect a rise in value.

The ownerless empty spaces into which the settler pushed forward along the river valleys, and over the mountain ridges toward the West were made over to the Union by the individual States. The Federal Government threw them open for settlement, turning the districts where settlement was progressing favourably into Territories; after the population had become sufficiently numerous it made these Territories into States, whose inhabitants were granted all the rights of American citizenship. Out of the forty-eight States of which the United States of America are to-day composed, six were still Territories in 1890. Two of these, Idaho and Wyoming, became States in 1890, Utah followed in 1896, Oklahoma, inclusive of Indian Territory, in 1907, New Mexico and Arizona in 1912. The prolonged existence of the Territories was an outward sign that the country had not yet completely cast off its colonial features. For the Territories were constitutionally colonies or dependencies of the United States, and were administered as such. Their total disappearance from the continent proper—for only Alaska and Hawaii are now governed as Territories—shows that by the end of the period America had outgrown her colonial character.

Rapid settlement had been accelerated by large grants of land to private concerns, particularly to the railways, and the ruthless exploitation of natural resources, such as the forests,

¹ This was the high water-mark, partly owing to the inflation. By 1925 land values (not equipped) had fallen to \$40.80 and by 1930 to \$35.40.

yielding quick profits. The waste involved in this rapacious destruction of valuable national assets was to some extent offset by the impetus which deforestation gave to the settlements of the country. Without a cheap and abundant supply of timber the new prairie States could never have obtained the building material needed for the erection of farm-houses and the construction of towns. The exhaustion of the land adapted to quick and inexpensive settlement led to a reversal of policy. From 1891 onwards national forest reserves were created to prevent further waste, and water-power restrictions were imposed in order to forestall private monopolies. For "natural resources are an inheritance which must be employed to bring about and to preserve the welfare, prosperity and happiness of the American people, but must not be wasted, spoiled or destroyed."

Between 1870 and 1890 the number of farms had increased from 2,660,000 to 4,565,000; the area under cultivation had grown from 408,000,000 acres to 623,000,000. But in the twenty years ending in 1910 the number of farms had increased only to 6,362,000, with a cultivated area of 879,000,000 acres.¹ During the first period the number of farms had increased by 71·7 per cent; during the second, by only 37 per cent.; and the increase of the area under cultivation was reduced from 55 per cent to 41 per cent. In the sixty years from 1850 to 1910 the number of farmers rose from 1·5 millions to nearly 6·4 millions: in the ten following years only 86,841 more were added. And the increase of the rural population, which had been 9·5 per cent between 1890 and 1900, fell to not quite 2 per cent between 1910 and 1920. Since then the position has been reversed. The agricultural population of the United States is supposed to have decreased by nearly 3 millions during the seven years following 1920; but lately, in the wake of the crisis, the back-to-the-land movement has gained strength, leaving it (January 1, 1932) at 31·260 millions, or

¹ Number of farms: 1920, 6,448,000; 1930, 6,289,000. Cultivated acreage: 1920, 956,000,000; 1930, 987,000,000.

648,000 above the numbers of the previous years. The unexhausted land reserve had fallen from 560 million acres in 1900 to 187 millions in 1924; and the greater part of this is land which can be brought under cultivation only with considerable capital outlay.

The inexhaustibility of the natural resources, and especially of the free land, furnished the basis for the fulfilment of America's social ideal of complete equality: it enabled the masses to advance into the ranks of the property-owning class. The ownership of a farm was the object which hovered before the eyes of countless thousands when they forsook Europe. And if hundreds and thousands of those who entered the Promised Land were never able to push out into the wide prairies, but were caught in the ghettos of New York and the steel cities of Pittsburg and Gary, and chained to industrial service, the goal was a reality and not a *Fata Morgana*. Its existence gave American life the rhythm of a fervent and eager optimism. For anyone who knocked strongly enough upon the rock, and confidently shouted *Open Sesame*, the flanks of the mountain would split open and admit him into the Promised Land.

Today the rocky slopes have grown harder: the crowds who seek admission are knocking in vain. The barriers remain closed; the last frontier has been crossed. Somewhere in the west of Canada there is still a "farthest West." The construction of branch lines by the Canadian railways, which has gone on uninterruptedly even during the crisis, has opened up new possibilities of which the American farmers as well as other immigrants have made good use. But the agricultural crisis has checked the rate of settlement. Even before its outbreak this development was in no way comparable to the movement set on foot by the opening up of the American West. Like a spring tide the pioneers rushed across the American prairie: like a shallow stream confined within narrow banks their successors are trickling into the Canadian plains. No longer are new rings forming round the heart of the tree of America's economic life,

increased by the yearly quota of immigration; in a sense it is becoming stabilized.

In the past, of course, there had been no lack of set-backs, but they had always been followed by another and bigger boom. Today, however, the whole system is shaken, for farm prices are rapidly falling. The farmer who sold his farm at the top price of the War boom may have settled down happily in Pasadena, warming in the Californian sun the bones which were frozen by the hard winters of the Middle West. But his successor, who took it over at an inflated price, and has now to make it pay when wages are high and prices declining, feels that he has been cheated. Like most debtors who cannot meet their obligations he thinks his misfortune is the fault of the system, and abuses capitalism. There is good reason for despondency, for the value of all farm property has fallen from nearly 80 milliards of dollars in the years 1919-29 to 59 milliards in 1931.¹

For the speculation which accompanied the opening up of the West has now come to an end. There are no more immigrants, and there is no more land available for land-hungry settlers without means. Agricultural technique is being revolutionized. The tractor has taken the place of horse-power; the number of draught horses has decreased from 26·4 millions to 17·7 millions (1918-32), and the number of tractors has increased from 80,000 to 851,000 (1931). Thus, on the one hand, agriculture has lost a market for its goods; on the other hand, it is forced to work with much more costly equipment. New machines have been invented, notably the combined mowing and threshing machine. Its yearly sales have risen from 1,019 (1923) to 11,221 (1929). It has greatly reduced the costs of harvesting, but only for those farmers who can afford to go in for large-scale operations. It has proved its value particularly on the dry upland soils, which were formerly considered comparatively poor. The drop in prices occasioned by over-

¹ The National Industrial Conference Board, *Agricultural Problems in the United States*, p. 56.

production, especially by the superabundant harvests in Canada, compels economies, which in their turn make possible a further drop in prices. The larger farms, run by machinery with a comparatively small amount of labour, can work profitably on this basis. Wheat can be grown on an 800-acre tract in Montana for a cash outlay of 43 cents, and on a 3,000-acre farm for 21 cents; while, not counting his labour costs, the fairly-skilled small farmer must spend 65 to 90 cents.¹ These improvements have resulted in the formation of super-farms, which are run like big factories with scarcely any residential population. Sugar and fruit, wheat and cotton are raised on such farms. As early as 1926 there were 9,000 such corporation farms, with a gross income of over 709 millions of dollars. Some of these farms comprise 40,000 acres and more. The tendency for greater units in farming is not restricted to corporation farms. The average size of a successful farm in Montana has risen from 1,045 acres in 1924 to 1,900 acres in 1929.²

The competition of these mechanized corporation farms has brought down prices, which had been forced to a high level by the land speculation of former years. The intervention of the Farm Board has raised wheat and cotton prices above the world market level at the cost of 500 million dollars. It has greatly enriched the prosperous producers, but it has not checked the decline in land prices. And the falling prices do not allure new settlers. A man would rather rent land today, where he would have bought before. The penniless labourer who has nothing to call his own but a pair of strong arms no longer sees a path ahead of him which will lead him automatically into the ranks of the landed proprietors: a few years' work for wages, followed by the acquisition of a homestead, which he brings under cultivation with the labour of his

¹ *America Faces the Future*, pp. 313, 314; the cost of wheat production on a typical Manitoba farm for the year 1933 has been estimated at 78 to 71 cents by the United Farmers of Manitoba (*The Times*, April 28, 1933).

² American Geographical Society Special Publication No. 14, *Pioneer Settlement Co-operative Studies*, p. 78.

wife and children and his own scanty savings. Capital, organization and machinery now play the part formerly played by land and labour. The land as such no longer appeals to men; on the contrary, it repels them. The children of the immigrants, imbued in the State schools with the higher standards of American life, are beginning to shun the hard labour which led their fathers to freedom. They hanker after the town, even though the car and the radio have broken up the isolation of farm life. The crisis, it is true, has resulted in a temporary back-to-the-land movement; but it will ultimately strengthen the tendencies to larger-scale farming. The old way to freedom is barred. Canada may continue to offer such possibilities, and the chance of winning independence through the acquisition of land. But even there conditions will not be what they were in the heyday of America's rural democracy. Canada may be said to represent the last reserve of free land to be found on the North American continent.¹ In Canada, perhaps, a sonorous finale may be played to that jubilant symphony whose joyous tones once thrilled the heart of the American people, when the opening-up of the West showed them the way to freedom. The play itself is over; the curtain falls; one chapter of American history has come to an end. It is now no longer possible for an American commonwealth to develop free from class and rank, made up of men who possess equal rights and the same economic advantages.

Years ago, in the school for Americanization which was set up in Ford's automobile factory at Detroit, the question used to be put to the alien worker: "What is the other name for America?" And the pupils (adult men and women) were expected to answer in chorus: "Opportunity." Is this reply correct today?

It never was quite true in the past, as far as the land was concerned. The large negro population of the South did not look to ownership of land when they were thinking of freedom.

¹ American Geographical Society Special Publication No. 14, *Pioneer Settlement Co-operative Studies*, p. 33.

Liberty for them was in the cities of the North, where toilers might enjoy equal political rights, though very rarely equal pay, with the white masters of the land. And even the native White, whose ancestors settled in the mountain valleys of the South in the early days of colonization, rose in the social scale by working in the cotton-mills and not by clinging to the land. Long before the great depression there was quite a considerable stratum of workers—even on the favoured Pacific Coast—who never aspired to land, nor even to a fixed domicile. They could be seen rushing in their cars from one ranch to the other in the fruit-picking season, carrying their families along with them, bundling their belongings—with sometimes a bleating goat—on to a trailer attached to the Ford. They remained pioneers all their lives, but pioneers who no longer saw a definite goal ahead of them.

2. CAUSES OF PROGRESS

The decisive factor in the industrial evolution of the United States of America was the attitude of her people, whose modern technique first made it possible to exploit the vast riches of the country with astounding rapidity.

Between 1820 and 1928 the United States have received more than 37 million immigrants from Europe. These multitudes, who were allured by the great possibilities ahead of them, brought to America the most enterprising spirits of every nation. In return for liberty and opportunity they put their whole strength, their tenacious will-power, their inventive genius and their gift for organization at the service of their new country. A great deal of the rough work necessary for the development of the continent was done by these humble workers. But their contributions did not stop there. American technique is by no means of purely Anglo-Saxon origin: a German Socialist took a prominent part in the organization of its electric industries, while a Serbian shepherd-boy became one of its leading inventors.

The immigrants into the United States were not *émigrés* who

longed to return to their native land after the re-establishment of the *ancien régime*: they had broken with it and with the traditions of the past.

The breach with the past, which has everywhere been the turning-point of genuine emigration, created, by weaning a people from its traditional ways, a mental atmosphere favourable to scientific and economic progress. The revolt against England gave the new nation that consciously revolutionary attitude which regards the dissolution of old conditions and the shaping of new as an end in itself. Under colonial rule the colonists are apt to cultivate the traditional with peculiar affection: to them the life led in the mother-country, fast receding into the vanishing distance, seems particularly attractive and worthy of imitation. A violent breach is required to bring about a change in this attitude. This breach was made pretty thoroughly in the New England States, where an anti-traditional spirit had always been alive. (Only when New England had attained to the spiritual leadership of the whole country did it aspire to the guardianship of traditions, and claim its unbroken descent from Old England.) In the Southern States political separation was eagerly accepted, but the old social connections and conceptions were preserved. Slave-owning plantation life was supposed to be the most successful replica of that mellow social existence into which feudalism had ripened in England. The Southern States have paid for the attempt to maintain the feudal system, in the peculiarly harsh form of slavery, by economic backwardness in every department of life. Their upper classes succeeded in creating an atmosphere of restfulness, well-being and contentment—closely related to the French ideal of *bien-être*—which at times indeed even extended to some of their slaves; they cultivated an attitude of retrospection, which their own sons and daughters, as well as the offspring of their poor kinsfolk in the mountain valleys, find it hard to abandon even today.

The mass of the American immigrant population has deliberately broken with feudalism and tradition. To many of

the newcomers the ideal of the Pilgrim Fathers, the creation of a deliberately-planned man-made commonwealth, as opposed to a time-made and inherited community, may not have been present in all its relentless clarity, but almost all were united in their opposition to feudalism and its legal forms, which had been excluded from the new North-West by the ordinance of 1787, thus making the West, north of the Mason and Dixon line, secure for free men. A hierarchically-organized society of upper and lower classes was as insupportable to the pioneer as the division of trades into guilds. One man was as good as another, and each man must be able to do all that was required of him. Trade privileges and social discrimination were impossible in a world where the end determined the means, and mere customs and traditions could be tolerated only when they were shown to answer their purpose.

The religious fervour of the American people resulted in the foundation of an endless multitude of sectarian Churches. They used all the spiritual forces at their disposal in the sometimes ruthless endeavour to achieve the one object that really mattered to them: the salvation of man's immortal soul. With that end in view they destroyed inherited rituals and discarded the traditions of an established priesthood. They faced life's practical, economic and political problem in the same spirit, with minds unburdened by tradition, unblunted by prejudice. The widespread habit of theological disputation which had made New England famous favoured the formation of new Churches, and led to a kind of spiritual competition which whetted the edge of rational thought. Sectarianism evolved a system of propaganda, which was afterwards applied to business, by forcing each denomination to advertise its soul-saving activities, especially after the rise of modern Methodism. And it was responsible too, through the fierce struggle of the various Churches for members, for the growth of the competitive spirit which pervades the entire life of America. While in England competition may have arisen in the playing-fields of Eton and Harrow, its roots in the United

States went much deeper, its nursery being Church and Chapel. To this day it has a hold on popular imagination unknown in other lands: a few years ago a craze arose amongst boys to exhibit their powers of endurance by sitting as long as possible in the top of a tree. A nation-wide competition of "tree-sitting" ensued, the newspapers throughout the country giving wide publicity to the feats performed, while the States proudly hailed the triumphs of their "State" heroes.

The older Free Churches of England grew up under the shadow of a State Church which covered the whole country, and was closely allied to the feudal system. In England deliberately-planned innovations had to be tried out in remote corners of the country, on unused sites which the guardians of a time-honoured world despised. In the United States creative evolution could proceed unchecked in the heart of the wealthy land of Canaan. Here, for a time, the conditions upon which economic liberalism based its system of free competition were actually present: rich natural resources, not yet withdrawn from the grasp of the common people by an exclusive system of private ownership, and a nation of men free and equal unhampered in the use of their natural abilities, either by legal subjection or by traditional ties. Europe was the land of "class," where all human relations were regulated by birth and tradition: America was the land of the "Covenant," where those who shared in it could adjust their mutual relations according to their own free will, without legal or economic pressure.

This purposeful and purely rational view of the problems of practical life, checked neither by the impulses of human nature nor by its indolent clinging to habit and custom, is perhaps most clearly reflected in the attitude of American employers of labour towards Prohibition.

Prohibition to them was the logical application of the principle of rationalizing the conduct of life and labour. Machines can produce goods much more cheaply than can human labour. Where the substitution of machine-power for man-power is not possible an attempt must be made to

mechanize human labour itself. Certain mechanical appliances installed to aid production, such as the moving belt, make labour, willy-nilly, a mere automatic adjunct of the machine. And where labour is still being used more or less unaided by machinery, it is divided according to the Taylor system into simple, separate mechanical processes. "Taylorism" as such is neither human nor anti-human, neither social nor anti-social. It simply applies the principles of machine work to human labour, by cutting it up into series of distinct standardized functions. But human labour can be relied upon for the repetitive production of piecework equal in quantity and standard in quality only if it is neither accelerated nor retarded by unexpected influences, such as the effects of alcohol. A labourer who starts work on Monday suffering from the consequences of an alcoholic Sunday is bound to work as fitfully as a perfectly designed and constructed engine will work when carelessly stoked. A man, regarded as an instrument of precision, is no more proof against such bad treatment than is a machine. And if the man "lays off" on Monday it is just as prejudicial, from the employer's point of view, as though a valuable engine were prevented from running full time because the firebox was choked with clinkers. Everyone must be a prohibitionist in America to whom the meaning of life is comprised in rational economic organization and in the mechanization of economic activity.

We need not here discuss the question whether alcohol can increase a man's efficiency on occasion, and stimulate him to record achievements. Normal business life has no need of the super-achievements of genius—it requires a regularly-repeated output of standard work. It will scarcely be disputed that in modern business life these mass results will be produced with greater regularity, clearer intent and less effort under total abstinence.

There was no native race which could be readily fitted into the economic scheme of alien conquerors, as was the case in Mexico and Peru. Labour had to be imported, and was

expensive; even slave labour was not cheap, except where it was applied to very rich tidal lands, not over-attractive to Northern settlers. Thus the application of technical devices to save human labour was very early forced on the rational-minded population of the North, whose mental attitude prepared the way for their invention and adoption. In spite of the great influx of immigration, the number of hands was not sufficient to open up the country with the desired speed. Its vast physical dimensions invited large-scale operations, and made the use of labour-saving machines profitable. The possibility of obtaining land free of cost, and the universal demand for work, which was maintained by fresh expansion, were constantly forcing up wages. Moreover, mass immigration directly affected only certain districts and particular industries. The coastal cities, and a comparatively few of the inland cities, swallowed up the bulk of the newcomers. The highly-skilled American working-class was able to maintain the high level of wages in those branches of industry in which it predominated, even though cheap unskilled labour had ousted it from others. The railwaymen commanded high wages, whilst the road-making and road-mending gangs had to be satisfied with poor pay. The continuation of high wages in many important industries was a constant incentive to American *entrepreneurs* to substitute machinery for man-power, and especially to replace the costly native American skilled labour by fool-proof machinery which could be tended by cheap imported labour. Hence American industry came to be more and more intensively capitalized. The ratio of capital investment per worker rose from \$560 in 1849 to nearly \$5,000 in 1919. The average of 3·3 mechanical horse-power per industrial worker in 1914 had increased to 4·5 in 1929 (from 22,291,000 to 43,079,000). Correspondingly, the value of the worker's yearly output rose from \$1,600 in 1900 to some \$7,500 in 1919 (inflation year). The ratio of the value of products to capital investment rose from 1·04 in 1890 to 1·4 in 1919.¹

¹ *Recent Economic Changes*, pp. 87-8.

Thus high wages have been the driving-force in American industrial development. On the one hand, they have enforced the adoption of technically perfect methods; on the other hand, they have eliminated those businesses which were unable to adopt them. The War greatly intensified these tendencies. Immigration was reduced from over a million immigrants a year to only 298,826 in 1916, and reservists were recalled to their native countries. 3,673,888 men were drafted into the Army, of whom 56,618 were killed and 302,612 wounded. At the same time the demand for American goods underwent an enormous increase. The export surplus of 658 million dollars (the average of 1911-15) rose to 3,091 million dollars in 1916 and 4,101 million dollars in 1919. The United States became a creditor nation. They widened their credit basis enormously. Credit increased from 21 milliards in 1914 to 58 milliards in 1929. Production swelled to unheard-of figures.

Taking the year 1899 as a starting-point, and putting the various ratios at 100, we obtain the following figures:—The physical output of goods amounted in 1914 to 169, in 1927 to 280. The value (cost) of raw materials used rose from 215 to 547 (in 1925): it had thus increased fivefold; it was more than doubled after the outbreak of the War. The sums paid in wages rose from 203 to 536; the prime cost (cost of material and wages) from 212 to 545. The mechanical horse-power used increased from 222 to 356. Since 1914 working hours have been decreased from 100 to 94, while on the other hand the weekly wage has risen from 100 to 216 (1926). While working hours have been reduced by 6, wages have risen by 116. The total number of men employed in manufactures has increased only from 156 to 187 (1927), but the production per wage-earner has risen from 108 to 151. Although the total prime costs (wages and raw material) had increased more than fivefold by 1914—they had risen to 212—the costs per unit had not quite doubled since 1899, and they have risen 60 per cent. since 1914. Since 1899 the machine-power per worker has been doubled; since 1914 it has risen by 30 per cent.

Organization rather than technique has brought about this transformation.¹

3. STAGES OR CLASSES

The United States are known as the land of giant undertakings: this is true in the same sense in which they are the land of skyscrapers. The forest of cathedrals which towers about the port of New York, or the ring of citadels which girdles the sea-front of Chicago, blind the spectator to the fact that the typical American house—an ideal as well as an accomplished fact—has been the small family home, frequently built of wood. This is either owned by the occupier, or is on the way to becoming his property by the payment of instalments. The skyscraper used to be restricted to the business quarters of the cities; it is only recently that it has been gaining ground in the great and medium-sized cities in the form of the apartment-house. New wants have arisen, while the wages of domestic servants has soared so high that even well-to-do families are not able to meet the expenses entailed by the upkeep of a large detached house. Real estate, moreover, has increased so much in value that the interest consumed by living in a commodious family mansion could be borne only by the largest income.

The number of industrial enterprises in the United States in which over 1,000 workers are employed is less than 1,000. Only 4 per cent. of all concerns employ more than 250 workers: nevertheless, the total number on their pay-rolls amounts to 4½ million, or half the wage-earners engaged in industry proper. The other half are employed in 103,000 concerns employing from 6 to 250 workers, and about 90,000 concerns employing fewer than 6 workers.² But the position of the small enterprises on the scale of production was gradually sinking while that of

¹ *Recent Economic Changes*, p. 97: the present crisis has made the reverse side of this development rather conspicuous; see below, p. 278.

² *Ibid.*, i, pp. 168–9.

the great concerns was rising. Just as the small and medium-sized towns exhibit the most characteristic features of the life of the United States, notwithstanding the growth of a dozen or so giant cities, so these small businesses exhibit most clearly the typical note of American economics, the absence of a genuine class-consciousness. The gulf fixed between employees and employers in the giant concerns of America is naturally very wide. In the small business and the small towns it is only beginning to make itself felt. The same thing is of course true of commerce, though in many cities the department-stores are preponderant; in transport "big business" has long ago predominated, but even here one finds a multiplicity of independent companies, some of them quite small; amalgamation and control by a few groups is proceeding rather slowly. Banking, on the other hand, is still very largely decentralized, in spite of Wall Street and its outwardly dominant position; but the great crisis has considerably reduced for good the number of small banks. Whilst public opinion is losing faith in the efficiency of giant industrial undertakings, it has been greatly disappointed by the failure of the long-cherished system of small banks.

Outside the farms, the bulk of the American people is made up today of working-men and clerks in dependent positions in commercial and industrial life. Out of 48.9 millions "gainfully occupied" (1930) there are 38.3 millions who are not engaged in agriculture; of these 35.5 millions are dependent, and of these again 18.5 millions are employed in industry proper, mining, transport and the building trades. In 1929 there were approximately 210,000 purely industrial undertakings, representing a number of employers appreciably smaller, as compared with 10.2 million workers; in 1929 there were 860,000 miners as compared with approximately 5,000 mine-owners.¹ The rise of each one of these 11 millions of workers into the position of independent employers of some sort is not very probable, especially since there is no more free land available

¹ *Statistical Abstract of the U.S.*, 1932, pp. 52 ff., 688, 730.

in agriculture, nor, with the decline in prices, any opportunity of earning such wages as would facilitate their rise. Nevertheless, the idea of the existence of a separate working-class is not popular, either with the employers or with the workers; the American working-man, and especially the native-born American working-man, has no feeling of class-consciousness. The country's past industrial evolution has confirmed him in the belief that to this day there is no separate working-class in America, and that wage-earning represents a mere temporary economic relationship of dependence. In the United States many great captains of industry have risen from the working-class—of the fathers of the present business leaders 12 per cent. were farmers and 10 per cent. manual labourers.¹ Thus the idea has survived that every American workman has a general manager's fountain-pen concealed in his breast pocket, just as each of Napoleon's soldiers carried in his knapsack a field-marshal's baton. As long as this belief exists it matters little whether the statistics of success do or do not correspond with the statistics of expectation. The course of life is influenced less by the computation of probabilities than by the intensity of desire.

The democratic foundation of social life has inspired everyone with the faith that he can attain all things if only he has the requisite capacity. There is, particularly in the East and the South, a social aristocracy which is self-appointed and shuts its doors timorously against the "new arrival." It is based on birth, but is closely allied to wealth. Birth alone counts for very little in a country in which there is no Court, no hierarchy, no legal privilege, no Herald's Office, and no titles to be inherited or inquired into; pedigrees are greatly coveted, but are not safely protected. American society is very exclusive; but its exclusiveness is that of a club which can exclude non-members, not that of a social order which can block the way to social ascent. It possesses no sort of rights which it can withhold from the parvenu; it disposes of no sort of pleasures

¹ F. W. Taussig and C. S. Joslyn, *American Business Leaders*, New York, 1932, p. 234.

which it can earmark for itself. As long as the newcomer is engaged in social climbing he may be unconscious of its existence, for he believes that economic success can buy everything. Not until he has "arrived" will his wife, and perhaps his daughters, suffer a few humiliations. But this has no effect upon his determination to get on; and there are no real barriers which can hinder his rising in the world. In America there are no ranks, there are only steps or stages. The individual may go up and down again; it is all a question of strength or luck. He has no vested interest in the position he may have won. No one will tell him that it is his duty to stick to the trade he may have chosen. On the contrary, he is by instinct a Jack-of-all-trades. There are no closed professions. He is not required to produce a diploma to prove his qualifications; he is called upon to show by his work that he possesses them. The European, especially the German, is consciously a specialized expert: the American is no less consciously a dilettante. He does not always go so far as Henry Ford, who will entrust a new branch of his works only to a non-professional, but he has kept the faith of the pioneer that a capable man is capable of anything. And as in the progressive stages of technical development the skilled worker is being replaced more and more by the machine, so intuition, handiness and shrewdness are becoming more important than a certificate of knowledge. At the same time, a more and more scientific division of labour is being made, resulting in a simplified and subtler specialization; but the more the separate functions are standardized and simplified, the easier it becomes for the worker to shift from one function to another. Thus the individual is not restricted to rowing his little boat upstream in the narrow channel of his chosen calling: the wide sea of economic life as a whole lies open to him, where a favouring wind may at any time swell his sails. He knows that the sea conceals greater perils than the narrow channel; but from the days of his fathers he has been accustomed to running risks. To rise in modern business life is certainly far less dangerous than it was to take part in the

opening up of the West. Then the cowards stayed at home, though they heard the call; the weaklings broke down by the roadside, the strong reached the goal. Why should he be less capable than his ancestors? He is prepared to stake everything on his success. He will get to the top and become an employer of labour, a capitalist. He does not regard his own boss as belonging to a separate class which is in some way superior by nature to his own. Once indeed in old New England, as well as in the South, there was a race of employers who looked upon themselves as a ruling class, and upon the workers as "servants." The opening-up of the West and the Civil War finally abolished these class ideas. In the early days of large-scale production, industrial concentration, and capitalist amalgamation there was a widespread feeling among the railway magnates and the mine-owners, and to some extent the iron-masters, that the employer should be the "master in his own house." The anti-Trust legislation has shown clearly enough that the American people—notwithstanding their reverence for property—will not permit its transubstantiation into power and domination. It has not done away with monopoly, but monopoly is now tolerated only so long as the monopolist is careful not to appear as a ruler. The employer, therefore, is not regarded by the American workman as a member of a peculiar species. He is not an economic "leader," but a "business man": not the "master" of a mine, but an "operator." He is not of a different race, nor of a different value. He merely writes a few extra noughts in setting down his income; that is all. It is a question only of quantity, not of quality. And it may be, after all, only a question of time: perhaps the employer was once an employee, and the employee may one day be an employer.

The workman, for that reason, is never conscious of working for a master. He works for himself. The word "service" is always on the employer's tongue. It expresses his conviction that his activities are of benefit to the community. The workers do not employ this term. For them the word "serving" involves

the conception of serfdom. They consider paid domestic service to be an infringement of personal liberty, even when it is performed not by servants but by household officials. It is "work for niggers." The white man who is obliged to perform it does so as a rule badly and against the grain. New immigrants who have not yet had an American education may be willing to go as "helps." And there is a small scattering of highly-trained household professionals—like English butlers—who are attracted by exorbitant wages; before the crash a competent female cook in Chicago got \$25 a week.

In the relationship of industrial employment, on the other hand, the American worker is quite ready to do his best to "get on with the job," to lend himself willingly to soulless mechanical performances, provided that he gets more wages for more work. He does not rebel against Fordism and Taylorism unless they are used to lower wages. Work to him is a means of earning money to help him to rise, not a calling to which he is bound heart and soul. In certain industries organized labour has standardized efficiency by putting limits to it, and has restricted the output; in a few it has accepted responsibility through its Union, pledging itself to an increase in the rate of production. But Trade Unionism is not a controlling force in the American labour world.¹

For the American workman is not disposed to support expensive institutions which are of special benefit to a special class. Before the crisis he had little understanding of social insurance. He entirely failed to understand the words "Welfare Work," and from his standpoint he has a certain justification. For he wants to share in all life's possibilities, and will not let himself be bought off from rising in the social scale by the promise of an old age pension, provided he remains where he is. Hence, of the various kinds of social insurance only workmen's compensation (Accident Insurance) is widespread in the United States. In forty-four States there is a workmen's compensation law, and compensation is compulsory in thirty-

¹ E. E. Cummins, pp. 327-9. *Recent Economic Changes*, p. 482.

eight States. Taking the whole country, about 70 per cent. of the workers to whom accident insurance is applicable may have been insured. There has been considerable progress since the passage of the Federal Vocational Act of 1920, providing for federal grants-in-aid to States following prescribed standards,¹ but "workmen's compensation is in such a state today that only drastic revision will enable it to meet the situation with anything approaching adequacy."²

Individual States have introduced old age pensions and health insurance,³ the latter, however, being of little importance.

For the most part, insurance is left to private action, and even in so wealthy a state as California only a third of the workers have been inclined to profit by their opportunities and to insure themselves against sickness.⁴ The plan of leaving the safeguarding against risks to individual responsibility seems to have been most successful in the matter of life insurance. The increase in life insurance is considerably larger than the increase in the population: there is no doubt that larger numbers of workers are insuring their lives. It has been calculated that the yearly payments made to wage-earners by life insurance and accident insurance companies exceed a milliard dollars. But the risks of American industrial life are appalling. There are some 23,000 deaths every year from accidents, and 2·5 million to 3 million non-fatal injuries. The annual loss from death and injury is calculated at over 5 milliard dollars.⁵ For the same recklessness with which the American pioneers opened up the West is exhibited by their successors in winning the prizes or supposed prizes of industry—by the men as well as by the masters. There is the same feeling that the hand of Providence will guide the worker safely through all risks, which makes him neglect safeguards even when they are provided. In theory human life is more highly valued in the United States than

¹ *Recent Social Trends in the United States of America*, p. 847.

² E. E. Cummins, *The Labour Problem*, p. 811. S. Blum, *Labour Economics*, p. 135.

³ S. Blum, *op. cit.*, pp. 157, 163.

⁴ S. Blum, p. 159.

⁵ E. E. Cummins, p. 95.

anywhere else, but in the daily struggle for existence it is regarded a cheap commodity which can easily be replaced.

The optimistic equalitarian view of the chances of labour has influenced the growth of Trade Unionism very unfavourably. Trade Unionism embraces only a relatively small part of the working population; its importance fluctuates considerably in the different trades and localities, and at different times. At the present day it numbers at the utmost a fifth of the wage-earners. It was not able to maintain its maximum of 5·1 million members (1920), which has been reduced to about 3·3 millions (1931), out of approximately 18·65 million wage-earners engaged in mining, transport, the building trades and general industry. The bulk of the organized workers are in transport and the building trades (each over a million, or about 26 per cent.); but hardly any of the trades are completely organized. Local influences are very strong. San Francisco is a Union city, with organized trades; Los Angeles is a non-Union city.¹ Hence Trade Unionism can neither supplement the State in general welfare work nor organize the insurance of the working-class as a whole, interesting as may be the experiments which it has made.² In spite of the great strength of a few Unions (like the Railroad Brotherhood), it does not play anything like the part it plays in Europe, for broadly speaking the American workman does not yet think in terms of class-consciousness, nor is he tied to his particular trade as are the European workers, who have nowhere completely outgrown the conception of the stable medieval artisanship which found expression in the guild system. He sticks to his Union only when it helps him to get on. After the anti-immigration laws had put a stop to the great influx of unskilled workers, and labour could enjoy the fruits of the economic situation without fear of sudden dislocation, Trade Unionism

¹ E. E. Cummins, pp. 188-9.

² The Union Labour Life Insurance Co. has a capital of 37 million dollars: the Union Co-operative Life Insurance Co. (Electric) of 50 million dollars. These are Societies belonging to the Union which also offer its insurance services to the general public.

remained stationary at best, although its political influence had developed considerably. Prosperity has not increased its growth. The American worker has a practical mind. If he can get higher wages and enjoy better conditions of labour than the Trade Union leaders offer him without belonging to a Union he is inclined to accept these advantages. And when the employers grant him favourable working conditions and high wages in a non-Union town or shop he is often enough willing to accept them, and he either joins a Union organized and favoured by the employers, or remains unorganized. This state of affairs is called the "American system." These employers' Unions are not craft (trade) Unions, but shop Unions; they are composed of the workmen employed in a single factory or by a single corporation. The workers call them "un-American," but they are supposed to have a membership of about one million, which the employers try to attach to themselves by welfare institutions (pensions and insurances). Group life insurances taken by companies for their employees amounted to but 150 million dollars in the year 1916; by 1931 the total of group life insurances in force had increased to more than 10 milliard dollars.¹ The great mobility of American labour, and the migratory spirit of its members, are natural obstacles to Trade Unionism; at the same time, they encourage employers to tie the workmen to the spot by special "shop privileges," such as insurance. The hatred of officialdom, the vague idea that organization and graft are closely affiliated, have made it rather easy to fill the workers' mind with suspicions of the integrity of Trade Union secretaries and organizing agents (walking delegates): suspicions which have sometimes been well founded.

But the main obstacle to the development of class-consciousness amongst the workers is the absence of a leisured class in the United States, a class whose life is free from irksome work and devoted entirely to what its enemies call frivolous amusement.

Since the downfall of the slave-owning aristocracy of the

¹ *Recent Social Trends*, p. 846.

South the non-working leisured class, small at best, has almost disappeared, and there are few signs of a revival. Hence the background is wanting against which the growth of working-class self-consciousness might be thrown into relief. The United States are not yet a land of leisure. There is plenty of play and a great deal of fun—but these are merely the recreation of busy people. There is no room as yet for people who want simply to enjoy life. One can dream away one's life on the pine-clad yellow hills of New Mexico, where the threads of Indian and Spanish life may be woven into a curious un-American web. Those who really want to get away from a money-making civilization must exile themselves in Europe, whose mellow charms have enchanted generation after generation of "artistic Americans" who were tired of a business civilization,¹ although some of them were attracted merely by the non-existence of Puritan controls. In the United States temporary relief may be had in Southern California, in Florida, and in the South-Western desert. Apart from a few secluded corners where poets, painters and musicians may dream away their lives in purposeful inactivity, they are playgrounds for busy people who want a lazy interval. They are far removed from the daily observation of the toilers: what the workers read about them spurs them at most to emulation, for they also have camps and pleasure resorts where, for a brief interval, they too can forget their everyday life. But there is nowhere in the United States an established, widely distributed, clearly visible society of wealthy and cultured capitalists—such as has long existed in Europe—which might be an object of class envy, because its members were no longer obliged to work for a living. That they no longer exploit any workers does not palliate the fact that such people do no work and may fairly be called drones. So long as everyone is busy in the United States, and so long as there is no large leisured class, enjoying life without

¹ The most accomplished of them all was probably Henry James, who was conscious of this necessity of going into exile, and who longed for a "tired civilization," he himself being a tired mind.

economic effort, class feeling originating from the contrast between work and idleness cannot arise.

There are, of course, the beginnings of social differentiation. Income and property count enormously, for to be rich is the best starting-point for becoming richer. Length of residence and the membership of certain religious organizations are of great importance. It is no small matter in the East to be the offspring of the Pilgrim Fathers, or in the South to belong to one of the ruling families of Virginia. Even in the typical small American inland town it means a good deal if you belong to one of the long-domiciled families of pioneer origin, or are even able to trace your descent back to the Pilgrim Fathers, so that wife and daughters may belong to the local chapter of the "Daughters of the American Revolution." The Anglo-Saxon element undoubtedly enjoys a greater prestige than other "nationalities," and outside New England, where Congregationalism is the orthodox religion, the members of the Episcopalian Church, and next to them the Presbyterians, are considered to have a higher social standing than the Baptists, Methodists and Lutherans, and certainly than the Jews and Catholics. But where everything is mobile, and where quantitative money standards seem decisive, there has hitherto been no room for social rigidity. Incomes, after all, on which these quantitative social measurements are based, fluctuate rapidly. The rich become poor in an amazingly short time, and the poor become rich even more quickly, if they strike oil or get hold of a money-making idea.

Moreover, quite an important section of the American working-class has always been able to look upon life from the standpoint of "middle-class capitalism." These privileged workers have enjoyed all the material benefits of American civilization almost as fully as the small business man. Along the entire West coast, and also in the small towns of the Middle West and the East, the working-man has lived in his own house, and driven to his place of employment in his own car: out of working hours he has dressed himself like the small business

man. In the workshop, to be sure, he wears overalls, variously cut to suit his particular technical requirements: in the street, after working hours, there is no sartorial class distinction. There are no corduroys or caps and shawls as in England, and no smocks and blouses as in France. Department-store assistants, in silk stockings, shingled and manicured, look like ladies. Negroes and Chinese are dressed up as Americans of no particular race or class: only their faces and hands are African or Asiatic. Where God created variety the ready-made clothing trade has produced uniformity.

Many an American working-man is much better off than a clerk in an office or the majority of the intellectuals. A mason in an American city draws a considerably larger income than a young lecturer at an average American university.¹

In Europe one's position, one's occupation, nay, one's whole view of life is tinged with class consciousness and class feeling, which have naturally led to class distinctions in demand and supply. European wants are the stratified wants of an established hierarchy; American wants are those of an aspiring democracy with egalitarian tendencies. In America everyone travels in equal discomfort in the ordinary railway carriages; there are no classes, and everyone who uses a Pullman car travels in equal comfort. There are indeed a few luxury compartments in the ordinary Pullmans: they are placed over the wheels, and the fares are very high. A young colonial society which remains in touch with its mother-country can maintain a certain standard of life only if it is willing to have its wants supplied by standardized products. It gets its goods ready-made over more or less standardized railways; it consumes them in more or less standardized houses, the frames of which are cut to measure; it orders them from a huge mail-order house, with the help of a catalogue compiled to meet standardized wants. The concept of equality which lies at the base of American democracy has greatly facilitated large-scale

¹ The wages per hour of a mason in Los Angeles, where there is no winter, were \$1.38.

production in standardized goods by insisting on similar suits for equal men; the wholesale production of standardized goods, and the wholesale department-stores which distribute them, have in their turn done a great deal to maintain the democratic features of American society by facilitating the satisfaction of typical wants, and by typifying, that is, de-individualizing, desires. There is a strong quasi-communistic element in the practical egalitarianism of America, where ready-made houses, ready-made clothes, serially-produced cars, standard brands of canned goods and so on, can be bought cheaply everywhere by everybody.

In the United States, as elsewhere, new demands arise first among the comfortable classes. But business, accustomed to wholesale production, immediately sets to work to cheapen the article by new technical methods and improved organization, and to bring it within the reach of mass demand. This democratization of demand and supply reduces the cost of production, and low costs of production universalize effective demand. They put fabulous wealth into the pockets of the successful *entrepreneur*, and they mitigate the envy of the poor for the rich, for the poor too share in the good things of life.

Rising wages have greatly accelerated this movement. In the leading industries hourly wages rose from 25 cents to 57 cents, or by 128 per cent., between 1914 and 1927.¹ By 1930 they had risen to 59 cents, i.e. by 136 per cent., while the cost of living had only risen 71 per cent. by 1928 and 60·7 per cent. by 1930. Outside agriculture the standard of living had improved considerably.² In the years 1918–28 the urban population increased by nearly 18 millions. On the basis of their former housing requirements they would have needed 3,733 million square feet of additional housing room; but 5,144 million square feet were provided, or 1,411 million more than would have

¹ *Recent Economic Changes*, ii, p. 432.

² The farmers' standard of living has not been raised. More than 40 per cent. have been able to maintain it only by borrowing; about 58 per cent. have raised it.

been required according to pre-War standards. Measured by the normal pre-War requirements, this extra space might have housed an additional 6·4 millions of people. The consumption of artificial silk has risen from 9 million lb. (1919) to 96 million lb.; the consumption of sugar per head from 90·41 lb. (1913-14) to 110·16 lb.; the manufacture of cigarettes from 53 milliards (1919) to 724 (1930). The value of wireless sets has increased from 8 million dollars (1919) to 463 million dollars (1929). In 1922 there were 60,000 sets in use, in 1928 7½ million. The yearly sale of cheap cars has risen from 1·2 million (1919) to 3·3 million (1926). Some consumer items, like refrigerators, perfumes, cosmetic and toilet preparations, actually surpassed their 1929 output in 1930 or 1931.¹

The democratization of demand has been greatly stimulated by the democratization of the American system of education during the past decade. This is not very greatly concerned with picking out the best brains, nor to ensure the well-graduated advance of the specially gifted. Its original aim was to bring a certain type of elementary school education within the reach of all. Outside the old South the people of the United States had no faith in the patriarchal notion long prevalent in Europe, that education makes a people discontented and unruly. They started from the conception of the citizen as a full-grown, fully responsible member of a self-governing Church, while European statesmen still thought of him as merely a subject. In the early days they often were quite as niggardly in their financial support of education as were their European contemporaries. But with the opening up of the West this attitude changed. Of the thirty-six full sections of each township, one section was everywhere set apart for the maintenance of the schools. And with the spread of the spirit of practical rationalism knowledge became one of the great instruments of life, which education taught people how to use. Under the leadership of the New England pioneers, as they spread all over the continent, a race of fanatical schoolmasters arose. Though the ethical side

¹ *Recent Social Trends*, p. 906.

of their teaching showed some sort of sectarian tinge, they upheld the belief that education was the safest instrument of that progress which was the glory of the American democracy. They used it too, and sometimes abused it, in the formation of a homogeneous American nation, for by education, amongst other factors, the external Americanization of the second generation of the immigrants was achieved. They have not succeeded in completely eradicating illiteracy. In 1930 there were 1·1 million native-born whites over the age of 10 years, and more than 1·3 million immigrant whites, who were unable to write. If one includes the negroes, amongst whom illiteracy reached the figure of 12·7 per cent., there were, after the last census, 4·3 million persons over the age of 10 years—that is, 3 per cent. of the whole population—who were unable to write.

Nevertheless, a great deal has been achieved in the field of education. For its work did not stop short at the primary school; it democratized the high schools and the universities also. Four million, seven hundred thousand scholars are now (1930) passing through the high schools, against 630,000 in the year 1900, and more than 1,178,000 students (over three times as many as in 1900) are registered in the colleges and universities.¹ Although the first schools on the American continent imitated the European model of a divided school system, one branch offering only limited opportunities to the children of the common people, and not leading to the university, frontier communities organized only a single type of school. Whatever educational opportunities they could provide were available equally to all classes of children.² In the new Western States, the home of the farmer democracy, the entrance examination of the colleges is so regulated that the graduates from the State high schools (secondary schools) can enter without difficulty. Fees are so low that admission is practically free, at all events to the sons and daughters of the State itself.

These prairie universities apply a rather depressing system of mass production. They have huge and often overworked

¹ *Recent Social Trends*, p. 329.

² *Ibid.*, p. 325.

teaching staffs, who have to turn out standard brands of graduates at a terrifying speed. The male and female students do not live in university hostels, such as are scattered about the grounds (*campus*) of the more richly-endowed universities (which are sometimes very beautiful, and sometimes excruciating, as when a Gothic chapel of soft grey stone is raised in the midst of a glaring, sunbaked landscape which cries aloud for the plastered walls of Mexican or Spanish mission architecture). They are put into boarding-houses; long rows of such houses, built for this purpose, line both sides of street after street. The owners or occupiers of these houses are very often the wives of up-State farmers, who move into the town for a few years in order to give their children the best possible education; they rent a house, and endeavour to meet the expenses of housekeeping and education by taking in other students.

This "democratization of college education" has had a twofold effect. It has greatly eased the tension between academic theory and business practice, which was formerly acute. It has not quite done away with it. Even today the purely academic occupations are not rated very highly by the successful business man, who holds the opinion that those who can, do; those who can't, teach; and complacently compares his handsome income with the very modest salary of the professor. But he no longer despises the cultural side of life, or even the material factor of a college education, though he vaguely distrusts its revolutionary impact on the religious, moral and political attitude of the younger generation. Many business men are university graduates. For many of them university life means regular attendance at the "fraternities" and keenness in sport, but little contact with real learning. Nevertheless, they have felt the breath of its spirit. Hence a university education is no longer a handicap to an ambitious young business man, and as it may be of great service to him socially, by putting him into touch with other young people whose families "matter," everyone who can afford to do so tries to attend a

college or university. The craving for social equality which stirs the hearts of American democracy is almost fanatical. What one man has the other must have too. If Brown's children go to college because they have intellectual aspirations, Smith's wife will insist that her brood shall do likewise, disregarding not only costs, but suitable propensities as well. And when Americans in Europe seek to ingratiate themselves with counts and dukes, and sometimes make themselves the laughing-stock of a sophisticated society by their intercourse with royalty, they are moved not so much by the vulgar snobbishness of those Europeans who like to fawn on their betters, but by their passion for showing the world at large that the free-born American citizen is the equal of nobles and princes.

On the other hand, the democratization of education has led to the creation of a standardized mind. Naturally, the educational level of many of the American colleges and universities is not very high as regards the majority of the students, especially when the latter have not received a sound preparatory education. Yet in almost all of them there will be found, standing out from the crowd, a little cluster of professors and students who need not fear comparison with the corresponding European groups, while at the great universities they often surpass the European average. The majority of the students do not, as a rule, learn to develop their minds and to think their own thoughts—an accomplishment which is also moderately rare in Europe—but, at most, to acquire scientific information. But knowledge and applied science have been so popularized and democratized that they are no longer the domain of a privileged class. The standardized mentality naturally makes for standardized wants. So long as it is produced by competitive institutions, and applied to the competitive struggle for the supply of competitive wants, there is little danger of its lapsing into an encrusted rigidity.

Differentiation, however, is beginning to be perceptible in education as well as in other spheres of American life. Some of the great universities of the land go in for research and for

the thoroughly efficient preparation of research students. The country is flooded with private academies of all sorts, which seek to give a more or less individualistic colouring to the high school education, at a very high cost in some cases. There are schools on the Pacific Coast in which the day-boys pay \$700 a year, and the boarders up to \$1,600. While primary schools have for some time been mainly unsectarian, most of the endowed colleges and many endowed universities began as sectarian institutions, founded and maintained for the professional education of ministers of a particular denomination. Some of them have shed this sectarian character completely; others have maintained it, at least in some degree. Since the great increase of the Catholic population Church schools have been started in many of the States, and these are sometimes based on racial and linguistic segregation, as in the State of Louisiana. But the spread and levelling-up of education continues without interruption.

Technical progress has greatly assisted the spread of education. The cinema and the wireless have destroyed the monopoly of culture formerly enjoyed by the educated classes. The films bring images of life and art to untrained eyes; they can be grasped by simply looking at them; no power of skilled and abstract analysis is required. They lift plain people, who have not much imagination, into a world of dreams, where they can merge their own drab personalities in those of the mighty heroes and beautiful heroines who glitter on the screen. The radio offers the masses a knowledge of things and events outside the circle of their daily observation, giving them life and reality by the old primitive art of the story-teller, sparing the listener the painful process of reading. The whole panorama of life is set before them, in a form which neither long years of strenuous scientific training nor intense critical application could have secured for them. The wonders of modern science offer the masses abstract ideas which in the past men of culture could acquire only by laborious training, and this without exacting any effort, in a beautiful and colourful raree-show. The sum of

personal contact with sublunary things is increasing, so that those who are eager for knowledge—or is it for novelty?—can embrace the whole world. This universe has been so compressed by science that they can grasp it by the same organs with which they used to follow the affairs of their neighbours—their own eyes and ears. The realm of thought, that hard-won inheritance of the educated classes, is diminishing in value, and with it art in the form of individual creation. But the life of the masses is becoming richer and freer.

Large-scale production, wholesale distribution, and universal education, with the films and radio, have been the great factors for maintaining the democratic character of American society. Their influence has been reinforced by the motor-car. In one sense the automobile has been the most revolutionary force operative in contemporary American society, which was on the point of becoming sedentary; the car has made it once more migratory. In a land of magnificent roads it brings the individual a new consciousness of personal freedom. It releases him from the confinement of the apartment-house and the monotony of the farm. It gives him a liberty of movement which has not been enjoyed since the Middle Ages, even by the travelling journeyman, except by the tramp and the vagabond. It is leading almost to a reorganization of society. Only the man with a car is personally free; the rest are tied to the ground. And a new sort of hierarchy has come into being, whose grades are defined by the various types of motor-car. The common man possesses a Ford, which, if it is an old model, does not really count as an automobile, its social standing being hardly higher than that of the motor-bicycle: it is only a "Tin Lizzie." The skilled artisan, who has a high opinion of himself, drives a Chevrolet, or even perhaps a Dodge. In this great new migration, which permits men to move in ever-widening circles around their business and dwelling-places, social orders are being formed in accordance with the type and cost of their cars.

The increasing distribution of the motor-car, and to a less extent that of the wireless, has sometimes brought households

to financial grief, and given a dangerous twist to their habits of life. "We would rather live without clothes than without a car," says a mother of nine children in a typical American country town.¹ It has often dissolved the unity of family life, provoking a recrudescence of the old American restlessness; for the time being the Americans are no longer a "homey" race. But this change is affecting the middle-class element as much as the working-class.

Buying a car, even by instalments, takes a large slice out of a small income, yet men have not ceased to save or to climb the social ladder. For a car is an item of property quite otherwise than clothes or household goods are property. It is much more impersonal, and this being the case it assumes to a much greater degree the character of capital. It was the easy possibility of acquiring capital and of entering the property-owning groups that made American life, at least in theory, class-less. Property and equality are the two pillars on which American society is supposed to stand. They can support it only if the ascent into the ranks of property-holders is not too steep.

The old easy method represented by the acquisition of a homestead is gone. New ones have to be devised: the house and the car. The purchase of one's own house is facilitated by instalment payments, by raising a mortgage, or by membership of a building and loan society. By paying 25 cents weekly on \$100 one may become the owner of a house in any typical American country town. The site is acquired on the instalment system—a frontage of from 40 to 62½ feet, and a depth of 125 feet. When the purchase of the plot is completed a mortgage is raised upon it, with which the house can be built: afterwards the mortgage can be gradually paid off. In a typical country town 86 per cent. of the population still live in one-family houses, most of which are built of timber and stand on a grass-plot.² The speculation in farms all over the West, that huge national land boom which made the United States what they are, is practically at an end; its place has been taken by

¹ *Middletown*, p. 265.

² *Ibid.*, pp. 93, 104.

real-estate gambling in cities and country towns. As the urban population continued to increase the value of urban sites was almost always on the upward grade: which was one of the reasons why houses in the big towns were so constantly demolished prematurely. A house, whose rental is based on the site value, soon becomes too expensive to live in when the value of the site is rising, and if the rent cannot be raised it will no longer yield sufficient return for the capital which it represents. Unless the house is a private residence, occupied by very rich or very sentimental and old-fashioned people, a new and larger house must be built. The old building is pulled down. Money could easily be raised on the increased value of the site and the capitalized value of future rent combined, though the cost of financing the affair may be considerable. It is taken for granted that as soon as the house is let the price of the land will go on rising, so that a sufficient margin will always be left for a cautious mortgagee as long as the tenants are willing and able to pay the rising rent. The modern apartment-house embedded in a skyscraper is the result of two upward tendencies: the rising cost of domestic service and the inflation of site values. Only the wealthy can continue to live in detached or one-family houses, and gambling in urban real estate has become a national pastime.

Its success depended on the continuation of an upward movement in prices, just as the pioneer's deferred compensation depended on the arrival of new immigrants. Real-estate gambling was most rampant in the opening up of the Rivas of Florida and California. Until 1926 the urge of the frozen Northerner towards the sun concentrated on Florida; in a short space of time it transformed the whole coast into a more or less fashionable villa resort, where the value of the frontages rose to fabulous figures. (American land is not usually sold by the square foot or yard, but by the foot run of a frontage of varying depth.) When a great tornado effected widespread destruction the catastrophe was minimized, but when, after a vehement tussle with the Red Cross, the damage could no

longer be concealed, the boom interests gave the affair a very characteristic turn. "The tornado," said a representative of Florida, "has meant a most severe financial loss. Even if all insurance claims are paid without contest, a considerable deficit must remain. What does that matter? Before the tornado there were certainly 20 million people in the United States who did not know what Miami is and where Miami lies. Today they all know, and will all come to visit us." He spoke with such enthusiasm that one might almost have believed the tornado to be a successful factor of an advertising campaign, organized by the public-spirited and optimistic "realtors" of Florida to draw the attention of the whole world to their wonderful building-sites. This boom overreached itself comparatively soon; it collapsed, even before the crisis had reached its summit, in a succession of local bankruptcies. California has been much luckier, but then it is not merely a playground for tired people; it is an earthly paradise, where farming can be made more profitable than ever it was in Canaan and, moreover, rich in oil and gas.

The acquisition of property by manual workers or salaried employees is dependent on a more or less elaborate system of instalment payments. The application of this hire-purchase system to cars or radio sets, and its ultimate refinement, may be regarded as a new development. The instalment system was the foundation of the real-estate business of the United States. Farm lands under the Homestead Act and urban sites were alike paid for on some sort of instalment plan. Saving money first, and investing it later in real estate, is a far less democratic and egalitarian process of acquiring property than acquiring and using it first and making deferred payments out of savings. And property must be democratized if the conception of a class-less society is to be maintained. Anyone who can call a private house and a private motor his own no longer counts himself among the unpropertied, even though he has only paid a deposit on the house, and has not yet paid for the car which he is driving today, nor for the suit which he is wearing, but

only for their predecessors, which he has either worn out already, or has exchanged in part payment.

The growth of large-scale enterprise has made it difficult for the small man, who starts life as a labourer, to end his days as an independent business man running his own concern. But the same movement has made it easy for him to become a part-owner of a corporation.

The working-class shares, by virtue of deposits and insurance policies of the usual kind, in the 2 milliard dollars of bank and insurance savings, on an average, put by yearly. Some of their leading labour organizations have founded "labour banks" and workmen's insurance societies. On December 31, 1928, there were twenty-seven of these banks in existence in different States, with a total of over 110 million dollars at their disposal. Most of these institutions were not so much class-conscious co-operative efforts, but capitalistic enterprises, controlled by workers with a decidedly capitalist mentality. As such they were rather a disappointment. By 1931 their number had fallen to seven and their resources to 30 million dollars. The crisis has not dealt more kindly with them than with more capitalistic business enterprises of a similar kind.¹

The great enterprises themselves encourage the growth of the capitalistic instinct amongst their workmen and officials, by inducing them to buy their shares. Of the 80,000 shareholders of Armour & Co. almost half are employees: 16,358 employees of the Standard Oil Co. of New Jersey hold 884,000 shares, with a market value of 38 million dollars. More than half the shareholders of the New York Central Railroad are the Company's officials. Of 2.7 million workers employed in 315 companies, 806,000 were shareholders. The value of their holdings was over 1 milliard dollars. The percentage of capital values in the hands of the officials and workmen is of course very much smaller than their percentage of the number of shareholders: while 21 per cent. of the shareholders in twenty great companies were officials—and the higher-salaried officers

¹ *Recent Social Trends*, p. 838.

who held the bulk of these securities are included in these figures¹—and workmen, they owned only 4.3 per cent. of the stock. But their position in this respect was in no way different from the position of any small shareholder who by descent and occupation might be described as “middle-class.”² Even where the percentages are higher (they reach 12.7 per cent. in the American Telephone and Telegraph Company and 11.5 per cent. in the United States Steel Corporation), enterprises are not conducted or controlled by boards of workers, who might seek to impress the views of the Socialist shop committees upon the capitalist management. They remain genuine capitalistic enterprises, in whose productiveness their workmen-shareholders are interested for capitalistic reasons. They are not socialized, nor is their management democratic—in America, as well as in Europe, the rights of the small shareholder are by no means adequately safeguarded—it is rather the case that the workers’ economic outlook has become capitalistic.³ While in Russia the Bolshevik Revolution is seeking to do away with class distinction by destroying all forms of property, and by extirpating the middle-classes and preventing their revival, the “capitalist Revolution” in the United States was attempting to bridge the gulf between them by making the working-man a member of the middle-class.

His share in the country’s permanent wealth is no longer a farm or an independent business; his participation therein depends on the ownership of impersonal securities, of stocks and bonds. The unprecedented decline in the securities of all leading corporations has cast a doubt on the wisdom of this

¹ *Recent Social Trends*, p. 845.

² *Recent Economic Changes*, ii, pp. 490, 528. E. E. Cummins, pp. 546–60.

³ Thomas Nixon Carver, *The Recent Economic Revolution in the United States*, pp. 91–108; and in *Current History*, January 1927, p. 480, *American Prosperity Producing New Social Problems*. Opposed to this new form of patriarchal economic government, sometimes known as “Carverism,” see Mina Weisenberg, *Labour’s Defence against Employers’ Welfare Tactics* in *Current History*, March 1927, p. 803.

practice for the time being.¹ But the fact remains that such participation in impersonal property, including the means of production, is far more genuinely capitalistic in character than the possession of a farm or a small factory. The distribution of shares and bonds amongst the masses facilitated an outbreak of speculation such as the country had never known before. Everyone was so firmly convinced that the profits of industrial undertakings would be enormously increased by the discoveries of applied science and improved organization—and especially by the amalgamation of competing concerns—that an uninterrupted rise in the price of shares was taken for granted. As this upward movement continued, notwithstanding warnings and misgivings, the Golden Age of the Westward migration seemed to be about to be revived on the share market. The fortunate found a veritable gold-mine and grew rich overnight: but even the less favoured could reckon on a good portion of unearned increment.

The speculator's path to wealth was barred to none. Buying securities on credit was no more risky than buying farms or sites on the instalment system—as long as prices moved upwards. It was not even necessary to promise exceptional profits. An army of travelling bond salesmen, organized by the great issuing houses, overran the country, teaching men and women the beauties of "securities," just as their predecessors had introduced them to the merits of competing patent medicines. "Property" had been the goal of the masses who built up the United States. Speculation in land was the time-honoured way of getting it and increasing it. Looking backwards, it was seen to be an absolutely safe business, so long as the country had continued to develop so amazingly. Why should there be any greater danger attendant on speculation in shares, since the investor's risk was limited to an infinitesimal percentage of the industrial prosperity of the entire country?

¹ *Recent Social Trends*, pp. 845–6.

4. INEQUALITY

Outside the labour world hierarchical stratification is occurring. Rural democracy is breaking down. The advent of the corporation farm and its great technical success is introducing a new competitive element into farm life. The huge farm overshadows the equalitarian homesteader just as the modern industrial company overshadowed the small industrial master. It will survive what has been called "The Great Dirt Conspiracy"—i.e. the opposition of the small farmer to its growth¹—but it will not oust small farming. It will decrease the number of small farms, bringing about an increase in size by various methods of consolidation. And it will seriously shake the conception of agrarian equality.

In business life proper this happened long ago. The corporation is ousting the small one-man concerns. As it seems to give the small capitalist a chance of easy growth on the manufacturing side, and of profitable participation by means of shares and bonds, it has been exceedingly popular. Fanatical opposition has been concentrated on the Trusts. Public opinion has scarcely realized the enormous social change which the spread of the corporation system has been bringing about. Thanks to easy corporation laws, first invented in New Jersey and lately perfected in Delaware, the shareholder's control over his property is greatly reduced. A small group of operators control the concern and its working; they have divested shareholding of its influence and separated ownership from control. They facilitate the management of other people's money. The social revolution which is taking place in this respect is in its way as important as was the first industrial revolution, which divorced the worker from the control of his labour; it now ousts the capitalist from the control of his capital. On this basis arose the conception of the "captain of industry," the business man, who is a national leader, by virtue of his control of the forces of national production.

¹ Walter B. Pitkin, *America Faces the Future*, p. 311.

The phenomenal rise of the "captain of industry" has filled the average American with admiration and ambition. Business is becoming hierarchically stratified. The vast American plain was, so to speak, transformed into a mountainous landscape with huge peaks towering majestically over the Promised Land. By means of interlocking directorships and holding-companies centralization of business control was taking place on a huge scale: it is alleged that two-thirds of all industrial activities are more or less directed by 600 corporations. There are wonderful—though rare—possibilities of a successful climb, but there is room too for the beginning of social rigidity.

The raising of their standard of living and the increased significance of their social standing have implanted a sort of class-feeling amongst the smaller American business men. It is an international phenomenon that the most passionate practical opponents of the Marxian theory of class-warfare are constantly and quite unconsciously doing their best to furnish its advocates with evidence of its truth. Wherever it is given an honest chance of rising the working-class seeks to become middle-class. But in most countries certain movements are steadily initiating a new sort of Marxian class-warfare, by calling upon a middle-class, shaken in its economic foundations, to rally against the working-class. They advocate a common "bourgeois citizen front," thus giving fresh nourishment to the class ideology expounded by the Bolsheviks. In the United States this tendency was clearly expressed in the revival of the Ku-Klux-Klan. This operates, as a movement making for exclusiveness, by the formation of clubs in the country towns of the States.

Political democracy in the United States cannot be shaken, but the foundations of economic democracy have shifted. Its fundamental temper has been maintained, but social democracy—i.e. a state of affairs in which every member of the whole nation enjoys equal rights to participate in the good things of life—is tottering. It was originally realized neither in the South nor in the North, but in the West, in the days of the pioneers. It found its most significant outward manifestation in the

Church, or more correctly, in the Churches. The American Churches were concerned not only with religious affairs—they were communities of social fellowship, where everyone who cared to join was made welcome. With the growth of the towns, the multiplication of churches and the cessation of the movement westwards, the conception of a social community has declined. Rich neighbourhoods dissociate themselves from poor neighbourhoods; within the same denomination in the same city congregations of higher or lower social standing are coming into existence; quite apart from the general weakening of religious life, the Churches are losing their old power of uniting different social groups. Individuals would thus be left rather isolated if they could not meet like-minded people somewhere else. So a club life of a quite particular type has been springing up; for although the Americans are extremely individualistic, in so far as they object to centralized regulation, they are also extremely gregarious. Most of them are descendants of the plain people in every land, and everywhere the plain people have a strong “collectivist” bent. It is the “high-brow” who plays the lonely hand of individualism.

There have always been a great many associations of like-minded people in the United States. There are the Freemasons, numbering in 1928, 3,248,518 master masons of good standing, with their subsidiary Orders, such as the Shriners, whose conventions may strike the uninitiated observer as somewhat carnivalistic; there are the many Orders and associations imitating them or opposing them, like the (Catholic) Knights of Columbus, with more than 700,000 members. There are clubs like the Elks, originally founded as a good-fellowship club to protest against the excise laws (1866), which has branched out into a huge sort of Friendly Society, and which now possesses the most imposing club-houses in almost all the smaller towns, and 850,000 members in all parts of the country. They have been followed by the Mooses, who give their members similar social insurance benefits, but have purposely addressed themselves to a rather lower social stratum. A net of

secular associations has been cast over the old societies of the United States, with their Church congregations and meeting-houses. Social differentiation is beginning to creep into those clubs whose composition was originally very democratic. They are losing their significance for the business man. He is still a member, but no longer takes an active part in the life of the clubs. Their conventions are still organized in great style; sometimes on Canadian soil, where the prohibition of alcohol did not throw a wet blanket over the spirit of conviviality. But the Lodges are losing their importance in the life of the business man; only the working-man still clings to them.¹ In their place new clubs have sprung up which appeal less to men of like mind than to men of like position, and stand for the principle of exclusion.

First amongst these are the Rotary Clubs and the societies formed after their pattern. They have spread over the whole country and are steadily increasing. The Rotary movement is a business man's movement—each occupation can be represented by one member only in each town. It thus stands for exclusiveness, and for that reason it is continually producing new offshoots, organized by people who cannot become Rotarians. So the Rotary Club has given birth to the "Kiwanees," and the "Kiwanees" to the "Lions." And the "Lions" will not remain infertile. Rotarian principles insist upon social service, the improvement of business morality, reciprocity and co-operation. They are honestly formulated, and applied in the same spirit. But in the last resort the Rotarians are a group of business men who are banding themselves together, with an assured consciousness of solidarity, against all who are outside their ranks. This is indeed the reason why European business leaders, who would otherwise have been repelled by its lower middle-class character, have quickly adopted the Rotary idea. Rotary is a union of business men whose members often enough take every Trade Unionist for a Bolshevik, and wish to prevent the 100 per cent.

¹ *Middletown*, p. 306.

American stock from being ruined by aliens. They are of course the salt of the earth, like the Puritans before them, and as enthusiastic missionaries they are organizing European crusades. Intellectual America makes fun, often unfairly, of its race of "Babbitts": Europe, which thinks itself so superior to them, admires and copies them.

Mere social class stratification, not supported by economic, political or even legal class demarcation, is not very rigid in its inmost nature. Wealth can break many barriers, and wealth may yet be won. Negroes and members of religious denominations who do not desire assimilation can be excluded from the ranks of a self-made aristocracy. Where the claim to aristocratic exclusiveness rests upon business success, which in a short interval of impatient waiting is sure to acquire a more or less venerable patina, social exclusion is only another word for retarding regrouping, but not for preventing it—so long as wealth is "elastic."

5. THE BUSINESS MAN

The United States have evolved three different types of leading class: the aristocracy of the South, the (Dutch) Knickerbocker merchant-princes of New York, and the merchants of New England of the time before the great migration. The opening-up of the West, and its results, put an end to all privileges of rank, and to the formation of a hierarchical society. The political democracy which had proclaimed the Rights of Man led, by way of the free West, to an economic democracy, in which an opportunity was offered to everyone, and this was followed by a social democracy: one man was as good as another. The type of society thus produced, in spite of regional differences and social variations, is fairly uniform; it is embodied in the American business man.

In his outlook and his way of life the American business man is most nearly related to the class known in Europe as the middle-class or bourgeoisie. He differs from the bourgeois on the one hand because no boundary-line any longer divides him

from an upper-class which has opposed him in his long struggle to win his way to power and influence, and on the other hand because he has not to hold his own against a class-conscious working-class. He is urban, as he lives in cities and towns, but he is not antagonistic to the farmers. For the American farmer is himself a business man dealing in land and farm produce. He is yearning for an urban life; he is not rooted to the soil, and is quite willing to take up some other job.

The American people is no longer so uniform, economically and socially, as it used to be, at any rate in the West; it is somewhat like a "one-class" steamship, in which there are considerable differences in the price of the various state-rooms, but where a certain uniformity of the standard of general comfort is insisted upon. The business man in the typical American country town has been defined somewhat as follows: The working-man makes his living by using tools to produce goods. The business man, on the other hand, is employed in supplying the people with services: buying and selling, credit, education, law, etc., through the medium of his own person. Thus the typical sign of the one is the Tool, and that of the other, the Word, in one form or another. It is rather characteristic of the American point of view that the element of "independence" is not expressly mentioned.¹ As the business men form the leading class, the American people, with their deep-seated faith in competitive equality, try to fashion themselves after their pattern. Negroes and immigrants try to imitate the New Englander; farmers and labourers imitate the business man. The ideal of the nation has been the small independent *entrepreneur*. The masses fled to America to become "independent," whether as farmers or as business men. The passion with which America fought the Trusts is due to this circumstance. Monopoly puts an end to free competition, and with it to the chance of rising.

The possibilities of free competition in land and industrial enterprise have been greatly reduced by the exhaustion of

¹ *Middletown*, pp. 22-3.

the free land and the rise of the giant industries. Competitive corporations are quite as ruinous to the small independent business man as are the monopolistic Trusts. But public opinion has scarcely realized this. For the spirit of competition has not yet died out. Even if all the existing industries were trustified, the rise of new demands and their practical satisfaction must always produce fresh rivalry. This new competition is not carried on between *entrepreneurs* in the same line of business, but between producers ministering to different demands. The automobile industry employed 451,000 workmen and turned out 5.3 milliards of dollars' worth of goods in the year 1929; but in 1900 it was not even in existence; the same holds good of the manufacture of artificial silk, and the radio industry.¹ Some old industries, like the clothing industry, never get tired of harping upon the great damage they suffer through "unfair" competition from these newly-risen industries.

Competition in American business life is different from the rivalry with which an aristocratic society is familiar, a rivalry originating in sport, and restricted from the beginning by the rules of the game. It is a rivalry which was incubated in acrimonious religious disputes and the struggle for life of the frontiersman. It is really cut-throat competition, carried on with ruthless efficiency, the more so in that divine guidance is considered to be manifest in its success. Failure, on the other hand, carries neither religious nor moral implications. The most important contribution which America made in the past century to the development of capitalist business enterprise was to free bankruptcy of moral taint. In America business failure is no disgrace, provided it does not come about in a fraudulent way. It is an event, like a blizzard or a flood, for which the victims are not held responsible. They will recover when the trouble is over. Competition is only gradually being softened by rules and conventions. American children, reared in a spirit of fanatical democracy, are inoculated with the virus. Formerly, when an American boy was asked what he would

¹ *Recent Economic Changes*, i, p. 85.

like to become, he replied: "President of the United States." If today he replies "Henry Ford" or "Rudolf Valentino" the names may indicate a change in taste, but not a slackening of the passionate effort to out-distance all rivals and to reach the highest level attainable.

The spirit of competition has naturally engendered a dogged endeavour to obtain results. The immigrant masses were driven from Europe not by political or religious oppression, but by the hope of working their way up in the social scale. Prosperity, if not riches, was their object, the more so as prosperity was originally a purely concrete ideal: a farm and a home. With the progress of capitalist development it has been interpreted more and more in terms of money. This deliberate striving after wealth has greatly affected the mind of the American business man; more and more his conception of things is a purely arithmetical summing-up. He measures actions and estimates events by monetary quantities—to the great horror of the European observer, who confounds quantitative measurements of more or less intangible things with a mercenary and materialistic valuation. A society based on the division of labour is the necessary condition of business success. The business man's real object is to sell goods, not to make them. He no longer thinks in technical, but in financial terms. He has grasped the fact that until comparatively recent times the problem of industry was to produce in sufficient quantity to supply the demand. The problem of industrial production has been temporarily solved: and as a consequence we have passed from a sellers' market to a buyers' market.¹ The American manufacturer is not infected by the narrow conception of production which has occasionally found favour in the Continental heavy industries, whose main wish seemed to be to run a "business without customers." He knows that his orders depend upon the use that customers make of their spending-power. Production depends on sales, not *vice versa*. A new science, "The Art of Salesmanship," has been created,

¹ *Recent Economic Changes*, i, p. 82.

whose principles are laid down in numerous text-books. The master of the world is the customer, the man whose wants crave for satisfaction. He is free to decide on which of them he will spend his income. He must be captured. Manufacturers are very fond of speaking of "Social Service" when offering their goods, and they express by these words the very sound notion that one must offer the purchaser an article which will give him the feeling that he has received a service, either in the matter of price or in that of quality. Business men do not overestimate the value of mere technique, as may happen elsewhere. New inventions are eagerly greeted; technical genius is highly praised; Thomas Alva Edison and Henry Ford are national heroes, but economic considerations always prevail over technical. Not technical perfection, but economic progress is the real aim, and the main final purpose the satisfaction of physical and psychological needs. Organized scientific research in their own technical laboratories is undertaken by many firms; but it is doubtful whether America is in advance of Germany in this respect. Huge endowments are given to institutions which pursue scientific research. The distinctive trend of this research is towards enquiry into the human factors which govern production; emphasis is laid upon financial rather than technical success. Recently 64·1 per cent. of the great American manufacturing concerns were, as a matter of fact, not prepared to introduce technically improved plant unless the additional costs could be written off within three years; 43·6 per cent. insisted on a maximum of two years.¹ There is no room for a purely technical attitude to industry, any more than for purely theoretical conceptions. The economic and financial point of view predominates. In the older industries this attitude has long been the rule; it led to a decline in the direct influence of the bankers and financiers, which is very strong in the new industries, not always, as the crisis has shown, to their advantage. Everywhere financial thinking is the decisive factor.

¹ *Recent Economic Changes*, pp. 139, 499.

Markets, sales and customers are the objectives of American business life. It is not enough to deal with existing customers and satisfy present demands. The competition which matters is the rivalry of contending demands. When, for example, Prohibition has stopped a man from drinking, he can save part of his income: he can buy silk stockings for his wife, and take the family out in a motor-car on Sunday. But the shoe industry may suffer from the rivalry of the car until it has adapted itself to the new demand for lighter footwear: for the millions of owner-drivers do not wear out their soles as did the pedestrian customers of the days when the shoe was something more than a glove worn upon the foot. Such rivalry makes it necessary to induce customers to spend as freely as possible, and to invest as large a portion of their savings as possible in a given business.

To this end "boosting" is applied—the art of suggesting wants to the consumer. American advertising-men are masters in the art of arousing desires and putting the likely customer in the right mood for buying the right goods. Today the main competitive struggle is not between concerns in the same line of business, though here it is often so keen that the most popular articles decline in quality. Extensive advertisement is required to maintain sales. The cost of progressive advertisement may be so high that no profit is left unless the product deteriorates. Such a deterioration of the article while sales are stationary, or even increasing, is often less risky than a reduction of advertisements, which would inevitably lead to a reduction of sales.

There are no great technical problems involved in the competition between different kinds of goods, provided that they cover a similar range of prices. But as the purchase price of a motor-car, no matter how cheap, represents a multiple of the price of any amount of drinks an individual can consume at one sitting—in America it would be more correct to say at one standing—either the income of the consumer must be inflated to enable him to buy a car for cash, or the price of the

car must be so split up by the terms of purchase that it does not surpass his former weekly expenditure on whisky and beer. As the car must stand a considerable physical strain, not even the use of cheap substitutes can bring it directly within the range of the smaller income; but as, on the other hand, the life even of a car that is subject to heavy wear and tear may be fairly prolonged, the payments can be broken up into instalments and spread out over this period of use. The instalment system in the automobile industry was based on this psychologically valid conception, a conception which cannot in this case be contested, as the car is generally exchanged for a new one before its physical life has run out. Suits bought on the instalment system are worth hardly anything by the time the last payment is made; but the car can either be exchanged for a new one or exported to South America—unless it is left standing in one of the numerous automobile graveyards which cover the whole country. As this idea is fundamentally sound, the instalment system has spread successfully to the most varied branches of business. There can be no increase in sales even of cheap goods, if their purchase swallows up too big a slice of the customer's total income.

Now employees and workmen draw their yearly income in weekly instalments. Their demand for comparatively expensive articles, such as motor-cars, pianos, refrigerators, furniture, houses, radios and bonds, can be satisfied only if payment is made by instalments. This method has always been employed in many branches of business. Its application to fresh commodities has brought these goods into competition with other commodities. There is no doubt that goods which have long been "democratized," such as clothing and shoes, suffer, at least temporarily, through the democratization of new goods, such as the motor-car or the wireless set. But as long as the total expenditure does not vary it can be divided in a different ratio amongst various species of goods. Naturally those producers who suffer by this readjustment are beginning to moralize. They call the goods which they themselves offer for

sale useful and necessary, and advocate their increased consumption on the score of sound political economy. As far as they are concerned, easier conditions of payment to facilitate their consumption are justified. But they oppose the increased consumption of other "useless" goods by a similar appeal to the maxims of political economy.

Such reasoning might pass in a society based on the principle of the medieval social hierarchy, which was accustomed to an ethical conception of luxury. It would be quite intelligible also in a thoroughly planned society. In a capitalist society there are no immoral utilities, and there is no justified or unjustified consumption outside the penal code. Any production which can be carried on with profit is justified; any consumption which is paid for is permissible. The consumer who puts nothing by, and spends his whole income, no doubt runs a personal risk in case of illness or unemployment. But he is far from undermining the existing economic system as a whole. It is far better—from the standpoint of production—that the consumer should spend his income in purchases which make an existing business remunerative, than that he should put his savings, by means of bank deposits, at the disposal of producers who are anxious to expand their business. Consumption, not production, is the aim of economics. A business which is financed entirely on its own means, and receives ready cash from all its customers, is naturally better off than an enterprise which is obliged to receive or to give credit. The same is true of a nation's economic system. It is always a sign of incomplete financial saturation if credit is required for production or consumption at any one point. Complete saturation is not possible under modern conditions. At one point or another in the long succession of stages through which modern goods must pass from the production of raw material to the final consumer, a temporary discrepancy between delivery and payment is bound to occur. Even with the richest modern corporations pay-day comes only at the end of the week, which is equivalent to the loan of a whole week's work on the part of the employees.

Deferred payments and loans, some simple, others most complicated in form, are therefore unavoidable. And they are possible, because money reserves accumulate almost automatically at the most diverse points, from which they can be conducted by expert guidance to the points of monetary scarcity.

As a matter of principle, the financing of a business by credits for customers' purchases is much sounder than financing it by credits for production. If the customer must defer payment until he can meet it out of his income it is of course less advantageous than if he is rich enough to satisfy his wants without asking for credit; but consumption credit, which anticipates an income about to fall due, is less risky than production credit, which assumes the certainty of future sales. The former enables a concern to adapt the existing capacity of production to an existing effective demand; the latter leads to an enlarged capacity of production, to meet a market which, as experience has shown, is frequently non-existent. A demand cannot be created on an elusive market; supply is throttled by monopolistic combination. That is to say, the consumer who, because of high prices, gets little for his money, is made to finance the interest and sinking-fund of the borrowed capital, and also to pay dividends on the plant inflated by production credits. In the nature of things, however, it is very much better for a business to have claims upon its ultimate customers than to owe money to its contractors and bankers. Unless caution is thrown to the winds but little danger arises in either case, except in the event of a general crisis. When purchasers cannot pay instalments are discontinued, and great quantities of used goods have to be taken back and are left on hand. There are no new sales; one may hold many legally good claims, but they cannot be turned into cash. Is this situation really worse than that of a business which the crisis has deprived of its sales, and therefore of its possible receipts, but which holds no claims on others, though it has to answer for its own debts?

Where the manufacturer himself does not grant credit to

the purchaser, but allows a separate financial institution to discount a kind of "consumers' bill" for that purpose, his risk is considerably reduced: he is, moreover, relieved of the necessity of advancing his own money to the consumers and acting as their banker. He is able to work with a smaller capital and to leave the risk to the institution, which keeps a watchful eye on the debtors. It discounts, so to speak, the future incomes of the purchasers, which fall due for the most part in regularly payable instalments, and enables them to purchase "expensive" goods. Sixty per cent. of the cars, 80 per cent. of the gramophones, 75 per cent. of the washing-machines and 80 per cent. to 90 per cent. of the pianos, sewing-machines, radio sets and refrigerators have been sold on the instalment system. By 1927, out of the total sales of 40 milliards of dollars, effected by the American retail businesses, about 6 milliards, or 15 per cent., were made on the instalment plan. The outstanding debt was about 2,750 million dollars (of which 1,500 million were for cars), which did not amount to much when compared with the total credit liabilities of 120 milliards.¹ It is, of course, possible that some consumers may over-increase their consumption, may not keep back a sufficient reserve, and may ultimately become a burden to the community. This has undoubtedly happened during the great crisis. But the army of unemployed which today is shaking the foundation of American social life was not created by over-spending on instalment purchases, but by the huge inflation of productive capacity which was the cause rather than the result of instalment buying. Patriarchal control over the consumer seems to be demanded; it is impossible to carry it out. It is not by any means established that frugality and the desire to save have diminished in those circles which have made use of the instalment system.²

The financing of consumption has a profound social sig-

¹ Wilbur C. Plummer, *Annals of the American Academy of Political Science*, January 1927.

² *Recent Economic Changes*, p. 400.

nificance. American economic sentiment, which is opposed to theories of class warfare, and is founded on the conception that the stock total of the pleasures of life must not be the prerogative of a class, or of a certain range of income, has gained new strength from this expansion of consumption. It has stimulated the general interest in every technical advance which makes for the satisfaction of desires, for American democracy knows that its own wants are being cared for. Even if at first the result is within the reach of a few only, yet from the beginning the aim is always present of turning the class-article into a mass-article.

The influence of this policy on production is very far-reaching. At a time when the great land fund on which new consumers could be planted had reached exhaustion it provided new means for securing additional customers *en masse*. It enlarged production, and increased production naturally lowered costs; low prices—the result of a huge turnover—added a new incentive to demand. High wages could be paid by large-scale industries, turning out goods at full speed to the utmost of their capacity. And high wages in their turn represented, at least in a certain degree, additional purchasing-power.

6. THE PHILOSOPHY OF HIGH WAGES

Workmen and employees are the backbone of the American market; they include 33 millions of the 44 millions gainfully occupied.

Of the 81·8 milliards of dollars, the amount at which the total income of the nation was recently estimated, 46·8 milliards came from wages, salaries and pensions (57 per cent.); 18·6 milliards from property (23 per cent.); 16·4 milliards from the activities of the *entrepreneurs* (20 per cent.).¹ As 57 per cent. of the total income of the population of the United States was made up of wages, etc., their development is of decisive importance for the country's total purchasing-power.

¹ *Recent Economic Changes*, p. 767.

Their high level has been the main agency making for the replacement of man-power by machinery; and it has time after time helped to increase the national purchasing-power. High wages in his own branch may mean increased expense to a manufacturer, while high wages paid to workers in other branches may provide him with greatly increased facilities for the sale of his goods. In the old days American employers played a double game in this respect. Broadly speaking, they praised the United States as the country of high wages. They used this high level of wages as their main argument for industrial protection. They advocated a high tariff as essential to the maintenance of a high level of prices, and high prices as essential for insuring a high standard of living for national labour. The same employers who never tired of phrases about the protection of national labour flung the door wide to cheap immigrant labour from Europe. They profited by this comparatively cheap foreign labour, which was easy to handle, to organize industries with fool-proof machinery, from which they drove away the highly-skilled, highly-paid, native-born American workers. Skilled American labour did not originally object to this sort of competition. The immigrant was meant to do the dirty cheap work, while the skilled trades were reserved for highly-skilled workers. Machinery has changed this completely. The employers did not mind the terrible strikes and the ruthless lock-outs which occurred from time to time, as long as these aliens could be prevented from organizing themselves and stuck to their low standard of living. They reckoned that the golden opportunity which had attracted these people would suffice to render their hard lot endurable to them, for behind it all beckoned the Promised Land.

The end of the period of expansion coincided almost with the outbreak of the War. There was no longer any free land, but there was no immigration. For a while the American working-class possessed a monopoly: during the War American labour was protected not only against the competition of foreign immigration, but against foreign goods as well. Its real

wages had barely risen—perhaps 8 per cent. to 9 per cent. for factory workers¹—but the general economic position of the working-class had become very much stronger.

But the War had revealed another fact: the great masses of the American population were not homogeneous. Thirty-three million six hundred thousand aliens had come over in the course of a century (1820–1920), and only a proportion of them and their progeny had been completely absorbed into the American type. Millions of others had only been partially assimilated. In many industries, indeed in many districts, the aliens predominated. In order to hasten the process of absorption the immigration laws were altered, and immigration was greatly restricted. But complete Americanization can be attained only if the aliens and their children rise in the social scale, and become so bound up with American life that they forget the roots of their own life, which lie deep in foreign soil, while the tree-tops glitter in the American sun. The resentment felt by the disinherited, the hatred aroused in the down-trodden, live on in these European minds as they never can in the mind of the native-born American. The idea of class warfare is innate in these children of the oppressed classes. They offer a fruitful soil for the notion that social progress cannot result from the reconciliation of the classes, but only from the violent destruction of the hitherto ruling classes. Even before the War many aliens were supporters of Socialism, in particular many Germans and the Russian Jews, the first because the ideal of an organized State appealed to their minds, the second because in their innermost hearts was a burning hatred of oppression. Outside certain districts, such as the State of Wisconsin and the city of New York, they have played no important part. Even when they found sympathizers, at a time of the most violent economic crisis, they never inspired anything more than a feeble secondary movement, which only at one Presidential Election attained as many as 6.2 per cent. of the recorded votes. It is very characteristic that the Socialist

¹ P. H. Douglas, *Real Wages in the United States*, p. 392

candidates at the 1932 elections polled only about 700,000 votes, at a time when there were at least 10 million unemployed in the country.¹ There is not even a thoroughly organized Labour party. Organized labour has nearly always been non-partisan.²

But social minorities who have no prospect of becoming majorities within a reasonable period of time are harmless only so long as they cherish the belief that it is the duty of minorities to bow patiently to the will of the majority.

In a country like the United States, where the democratic tradition has time and again been threatened by the violence of undisciplined minorities, the victory of Russian Bolshevism was bound to make a deep impression. It proclaimed the right of a determined and active minority to sovereign power. It has carried out its programme, and is endeavouring to force upon the only country in Europe whose dimensions are those of America a social system which is the negation of every American ideal, but which has nevertheless many American features, such as its ruthless annihilation of all social distinctions, its glorification of technique, its democratization of the school system, and its fanatical propaganda. If the belief in this system, which is no longer a social theory, but is "Socialism in being," were to take hold of energetic sections of the American people, the whole social life of America would be in danger. For if the bitter fanaticism of disillusioned aliens were to combine with the lawlessness of the pent-in frontiersmen who no longer behold free prairie lands ahead of them, the explosion might be terrible.

And behind this lurks another momentous problem: the millions of negroes who were born and brought up in the South are beginning to leave the plantations and seek freedom in the industrial slavery of the cities, factories and mines. They are becoming an industrial proletariat, in which the primitive, raw, anti-capitalist moods of a working-class in the

¹ Robert C. Brooks, *Political Parties and Electoral Problems*, pp. 135-6.

² E. E. Cummins, pp. 354-7, 370-9.

making are blended with equally primitive race instincts, opposing class ascendancy.

The United States can be made safe from the dangers arising from their social heterogeneousness only if their social system can absorb the alien elements of the population far more successfully than their political system has so far absorbed them. Negroes and the alien labouring class can be successfully Americanized if only they are permanently allowed to share in American prosperity.

As the masses fighting their way upwards can no longer be won over to the capitalist order of ownership by the grant of free land and the possibility that they themselves may become employers, another way must be found to satisfy their aspirations. They must be granted high wages and short working hours, so that the income gained by their labour will not only satisfy their most immediate wants, but will procure them a share in all the progressive achievements of modern technique and civilization. They must be protected from the worst risks inherent in capitalist economics, and must be able to insure themselves against vicissitudes such as accidents or unemployment. They must be granted sufficient leisure and be taught to make a good use of their income. Just as the conception of identical property-rights has led to a united front of great and small landowners against the men without property in countries where land is reasonably well distributed, so the feeling of their common participation in the technical and moral civilization of the United States must bind workers and employers together.

To do this, spiritual forces must be put into motion. In a country where there is no authority except the sovereign people, whose majority is all-powerful if they really desire to make it so, the majority must be spiritually content. The old saying "Soldiers are the only help against democracy"¹ has no meaning when the soldiers are controlled by democrats or the democrats are themselves soldiers.

¹ "Gegen Demokraten
Helfen nur Soldaten."

In no country on earth is the fear of Communism so great as in the naturally secure United States. A Communist is there regarded as the enemy of human society: the safeguards of the regular laws afford him only a somewhat restricted protection. Panic animosity is evinced not by the employer class only: organized labour is quite as thoroughly anti-Bolshevik. Labour Unions are by no means always averse to physical violence, whether dynamiting or slugging, when there is danger to the Unions; but they greatly object to the terroristic principles of Communism.¹ The American Constitution is a property-protecting instrument. Property is a sacred national institution. Participation in property, not its abolition, is the national aim.

As long as there is a chance of prosperity in the United States, Communism will not take root there. Contented workingmen are not revolutionary. This was plainly to be seen on the West coast, during the period of prosperity. The improvement in the state of the lumber-camps had freed the lumbermen from the snares of the I.W.W. The raising of agricultural wages had quieted the men on the land. Whereas the so-called "hoboes" used to travel westwards in droves, as stowaways, jumping on the foot-boards of the freight-trains, for a time at least they had been given a share in the country's prosperity. They would drive in a Ford car (known as a "flivver" or "Tin Lizzie") from farm to farm, to offer their services, accompanied, often enough, by their whole family—which was not always legitimate. As these nomads did not trouble about their children's education, and were glad to keep them away from school, they presented the school authorities of California with a difficult problem. But they were no longer class-conscious revolutionaries.²

Hence the attempt to maintain an "optimistic feeling" throughout the country. Optimism has been one of the great

¹ Louis Adamic, *Dynamite*, p. 328.

² E. E. Cummins, p. 422, for the various other causes of the decline of the I.W.W.

driving-forces of the country. It is one of the basic elements of the national character. It must be the result of climatic conditions and of practical success in life—for the Pilgrim Fathers, if the truth must be told, were sour-faced pessimists. It lifts American business, especially the business of credit, into an atmosphere of cheerfulness very different from that which prevails in Europe. In the United States people know that things must turn out well, because they have always done so. And if they should for once turn out badly, it is of no consequence. It will only be a passing difficulty.

This faith justified itself in the huge land speculation which made millions of penniless labourers landowners and more or less successful farmers. It is easily maintained, for so long as people believe and make others believe that all will go well, so long things will go well. In religious matters Americans long ago reached the conviction that redemption is assured if one extorts it by a concentrated and steadfast belief in God's goodness. They have long ago got rid of the agonizing doubts of orthodox Calvinism, and turned to Churches which promise them certain salvation. The visible success which Christian Science enjoys amongst the well-to-do classes is founded in great part at least upon its kind and comfortable attitude toward the problem of Redemption, sin and illness being but the figments of doubting minds, which can be overcome by the will to believe. Americans are in the habit of employing the same deliberate self-persuasion in economic matters. Since the open West and its possibilities are closed, a good deal of energy is expended upon the creation of an optimistic atmosphere, whenever realities do not look over-attractive. A "sunshine campaign," as it is prettily named, is inaugurated, to prevent a slump in the market or to bring about a record boom. As an army of watering-carts is employed to subdue the plague of dust in the streets of a city, so optimism is sprinkled on the roads which lead to the markets. Men do not cheat themselves by making up incomplete statistics, and taking courage behind the shelter of their own ignorance.

On the contrary, statistics are eagerly collected relating to everything which it is possible, and many things which it is impossible, to know anything about. People are hungry for facts, and they study the mysterious state of the market and the business cycles in the light of a stock of facts which is a real joy to a political economist. They plot all manner of plans, curves and scales, and they have the knack of drawing a very clear picture of actual circumstances. And when they have got hold of the facts, these are cleverly marshalled to impress the public. Optimism is manufactured, loudly proclaimed, and broadcast far and wide. Boosting real estate proved itself not a bad method of settling the country and enriching its people; why should boosting the country and its social system be less successful? There is no reason why the advocates of the capitalistic system should be shy of praising its merits, especially when those merits are critically canvassed. The advent of the Soviet system has made the boosting of social systems highly fashionable. The amount of unreliable statistics turned out by the Soviet authorities, and the amount of limelight turned upon their activities, may not justify American methods, but they easily put them to shame.

In the United States, moreover, these endeavours are not unjustified, considering the attitude of their people to social problems. Social unrest is rarely condensed into a scientific system which strives after distant and carefully thought-out ends. It is rather inclined to bubble over in a sudden uprush of excited sentiment requiring the immediate realization of its demands. German radicalism was a pursuit of ideas theoretically profound and practically harmless. It was always in the habit of thinking out its problems relentlessly to the end: when it believed that it had discovered the solution it was but mildly interested in seeing that solution realized. American radicalism, on the other hand, is satisfied when it has got hold of the salient corners and edges of a problem. As soon as it has become possessed of a half-baked idea it wants to work it out to the

finish. German radicalism is full of interesting theories, but harmless in practical life. American radicalism, on the other hand, is practically dangerous, chiefly because when it is theorizing it does not probe deeply for its theories. The American nation is impatient: with all its good humour it has a tendency to violence. In its heart still slumber the unsubdued instincts of the frontiersman who believes in self-help, and, when he sees himself in danger, takes to his gun without waiting for the other man to draw. His feelings are entirely opposed to a coldly scientific collectivistic Socialism. He is attracted much more readily by a practical, all-destructive anarchism.

The handiest weapon with which to destroy radicalism is high wages. But for many employers high wages would mean high costs, which must either be shifted on to the consumer in the shape of high prices, or borne by the *entrepreneur* as a reduction in profits. The one expedient makes the social benefit of high wages illusory: the other would lead to a diminished accumulation of capital, and a lagging of the spirit of enterprise. American industry had apparently succeeded in breaking this vicious circle.

Between 1913-14 and 1928 the level of prices in the United States, as in other countries, rose—in the ratio of 100 : 147. It did not vary greatly in the period 1922-7, until the advent of the world crisis. During these years the costs of living rose on the average by 0·7 per cent. yearly, but the income of the various classes of workers increased yearly by from 1·1 per cent. for women to 3 per cent. for unskilled men, and on the average by 2 per cent. Thus purchasing power increased far in excess of the rise in prices, the average increase being $2\frac{1}{2}$ per cent. each year.¹ Real wages (average wages) in 1926 and 1927 were about 30 per cent. to 40 per cent. above the wages for 1913.²

Technical progress and better organization have made it

¹ *Recent Economic Changes*, pp. 604, 633.

² E. E. Cummins, p. 124. *Real Wages*: 1913, 100; 1926, 130·7; 1927, 133·8; 1929, 136·4.

possible for American industry to balance rising wages by decreasing wages-costs. While in the year 1914 wages amounted to 42 per cent. of the value added by manufacture, in 1927 they had fallen to 39·3 per cent. The *per capita* output rose from 108·5 to 149·5. In industry proper physical production rose by yearly increments of 4·3 per cent. for the six years 1922-7: and as the increase in the number of employees was only 0·9 per cent. per year, the production per head had increased by 3·5 per cent. This was in spite of the fact that since 1914 the working week has been shortened, on the average, by 5 hours (55 to 49·6).¹

Thus with a comparatively stable level of prices the fully-employed American workman was earning a considerably larger income in a substantially shorter working time. In other words, he was to an increasing extent admitted to a share in the national wealth produced by capitalist civilization. That this progress was paid for by an occasional increase in unemployment was no argument against it, but merely an argument for insurance against unemployment. Outside a few individual industries, such as the clothing trades, which have devised very ingenuous methods for dealing with this problem, public opinion did not favour insurance. A considerable part of the increase in the purchasing-power of industrial wages was due to the heavy decline in the prices of agricultural produce: in so far as this was the case purchasing-power was not increased, but merely shifted.

The period of prosperity has made the American employer a sincere advocate of high wages; their unfavourable effect on costs can be overcome by technical improvements; their favourable effects quickly find expression in increased sales. The expansion of the market by the creation of new consumers, which formerly resulted from immigration and settlement, must be secured to-day by an extension of the purchasing-power of existing consumers. The rapid advance of applied science and organization are not sufficient to achieve this end,

¹ *Recent Economic Changes*, pp. 444-54.

if it is not accompanied by a greatly increased turnover. For cheap production by a highly capitalized plant is possible only if it is run at top speed. Whether or not this can be done must ultimately depend on the consumers' purchasing-power. Better equipment and higher capitalization of plants have made them much more vulnerable: a restricted use of their total capacity must invariably raise their costs and make them thoroughly unprofitable. For that reason the handling of the human factor, the art of managing men, has become highly important. It is essential that strikes should be avoided, but it is scarcely less important to reduce the great mobility of American labour; though a powerful element in maintaining that spirit of independence which is one of the big traditional assets of the American working-man, it cannot be denied that it often affects cost-sheets in an unfavourable way. Many ways have been tried of tying the worker to the employing company, by pension schemes, group insurance and the purchase of shares.¹ The patriarchal system, compounded of shrewd calculation and an almost religious sense of responsibility, by which a feudal manufacturing aristocracy tried to bind its workmen in Europe, has achieved a resurrection in the United States under the name of the "American Plan." But in America this plan is mostly a pure matter of business. The object is to save expense and increase income. No one is afraid of a well-to-do working-class in the enjoyment of money and leisure; there is no fear that well-paid workers will idle and spend their money on useless goods. Spending money on the satisfaction of human wants is the acknowledged aim of economics. Well-paid workers help to carry on the system. And as human wants are unlimited, and since the inventive genius of America will always be producing new luxuries, and dangling them before the workers' eyes, vanity, the desire for equality, and advertising may be relied upon to increase their demands. On the other hand, American employers are learning to fear a working-class which is poor, discontented and

¹ E. E. Cummins, pp. 523, 558.

restless, and which lends an ear to Red propaganda. The American employer has shown often enough in the past that he is not more humane than his European colleague. He has most brutally exploited the newcomers to the country, often enough with the silent consent of the skilled native-born American workers. He has made war on Trade Unions by hired bravoës and fought them quite as ruthlessly as they fought him. He has insisted with stubborn fanaticism upon the "open shop." But as there is no appeal to any mysterious Authority, he can assume no airs of authority himself. After all, even the greatest captain of industry is an ordinary business man, not a General Director appointed by the grace of God. He may find it in his heart to fight Unionism in the interest of liberty; he may even believe that to do so is a question of principle. But he can achieve the economic success in business that he desires for himself and his family only by abandoning the claims of a master and looking upon his work-people as fellow-beings. For one thing is taken for granted by the American employers, which to this day rouses the half-feudal, half-military minds of many European manufacturers to fury: he knows that every man who casts a vote at election time must be treated as a fellow-man, and not as an underling. He must give his fellow-man a steadily-growing share in the social product, in order that it may go on rapidly increasing; it remains an open question whether ultimately the workers will be satisfied with an absolute increase of their share, which may comprise but a relatively small proportion of the country's total wealth. He must reconcile the workers to the capitalist system by making them participate in its pleasures, not by compelling them to work.

From this point of view the hire-purchase system has a twofold significance. On the one hand, the democratization of pleasure leads to increased sales, falling prices and rising wages in the industries expanding under its influence, while purchasing-power in the form of wages is set free. The additional cost of the instalment system may raise the price of commodities from 16 per cent. to 40 per cent., but this increase is more than

wiped out by the great reduction of the costs of production resulting from greatly expanded sales. On the other hand, the democratization of pleasure does more than merely content the masses. It provides an ever-recurring stimulus to hard work. Under its influence workmen and employees live in a kind of perpetual bondage. And this state of indebtedness, continually renewed, has the effect of binding them to their work. They have run into debt in order that they may enjoy life's many pleasures. They cannot shake it off, not because the old creditor is pressing old claims, but because new desires entangle them once more after they have wiped off their old obligations. As employers and creditors are entirely distinct persons, the debtor does not feel that he has drifted into some sort of peonage. The master to whom he has pledged his labour is not his employer; his "boss" is the material happiness which he is always seeking to procure by renewed exertions. And as the amenities of life make life pleasanter as well as easier—one need only think of washing-machines, or of driving to one's work in a motor-car—this sort of consumption generates new powers of productivity.

7. SOCIAL CAPITALISM

The United States is the only great country in the world which has evolved a system of "undiluted" capitalism. In every other country the industrial and economic life of today has grown up under the shadow of a feudal past, or of a past dominated by military or bureaucratic traditions. Only in the United States was a system of free competition, the first essential condition for the growth of genuine capitalism, thoroughly established. This spirit of competition inspired the whole nation; it enabled it to open up the great natural resources of the country and make it the wealthiest nation in the world. Even today, in the midst of a crisis of unheard-of severity, its attitude toward economics is still equally opposed to romantic agrarian feudalism and to class-conscious proletarian

Communism; it is still that of a capitalistic bourgeois middle-class, willing to let Governments run a prosperity-boom by pseudo-socialist methods.

It has created a capitalistic system whose technical equipment has given man the command over Nature, and has immeasurably increased his powers of production. It must now direct this production in such a way that the income of the masses, expressed in quantities of goods and services consumed, may still continue to increase. The uncontested technical success of capitalism must be followed up by an equivalent social success, so that the labouring classes which possess little or no property shall obtain an increasingly abundant share of the pleasures of life through the increasing purchasing-power of rising wages. It must take good care that capitalism is acknowledged as a benefactor, not only by the owners of capital, but by the wage-earners as well. And it must see to it, on the one hand, that a steadily-growing fraction of the population shall pass into the ranks of property-holders by the acquisition of land, houses, savings-bank deposits, or shares, while on the other hand it must increase the efficiency of the wage-earners' labour by the use of mechanical appliances, and give them a correspondingly increased command over goods and services. If American life can offer expanding opportunities to all who participate in it, no European theory of class-warfare will be strong enough to break up the harmony of interests which the modern race of employers is seeking to establish.

Visions of a more stable stationary society rise up from time to time. As long as the fear of crisis and of unemployment weighs upon the economic life of America the attachment of the worker to the capitalist system is not assured. The more rapid and sudden the technical progress, the greater, in certain cases, may be the risks of unemployment. Will the hope of rising make the workers willing to bear the burden of the break-down? Will it be possible to devise precautionary measures, so that the burden will not fall exclusively upon the workers? Will an insurance system be adopted which will in

part revive this burden? Is it not better to anticipate what is coming and to combat it with suitable measures?

For quite a long time efforts were made to found a science of economic forecasting. From the observation, registration, accumulation and interpretation of economic facts the future course of economic events was to be foretold. Hundreds of the most active and ingenious minds were occupied in interpreting the dreams which in the watches of the night visit the leading business men who fill the place of the Pharaoh in American economic life. They were inclined to doubt the precision of the Pharaoh's observations, and to reduce the alternation of the seven fat and the seven lean kine to a cycle of five years. A scheme was worked out in which definitely knowable and clearly-defined causes were bound to produce events whose course could be foretold. They could be influenced, directed and deflected, if the proper knowledge were properly used. No centrally-planned or centrally-directed economic system was needed or desired, with all its implications of coercion: economic individualism was quite sufficient to produce the anticipated results of economic progressive prosperity—provided it was properly guided by an intelligent business leadership, thoroughly informed and trained. Individual prices and their formation must be left to the activities of individual groups, but the formation of the price-structure—i.e. the relation of the total outflow of goods to the total flow of money and credit instruments—can be influenced by a wise central banking policy.

The regulation of the price-level by increased or diminished credit-supply was advocated and even attempted, in order to give the economic life of the country stability by damping, through deliberate management, the violent oscillation between boom and slump. As the time-made State with its many deficiencies and inconsistencies was contrasted with a deliberately planned man-made State, in which the religious and political affairs of human society would be perfectly regulated, so a conscious effort was made to bring about a

rational order of economic life in the place of the accidental vicissitudes of former times.

Forecasting and credit control have not been successful. The effort made showed the sincere desire to build upon the economic structure of individualism a new social order, which would meet the requirements of business reason as well as of social justice, retaining at the same time the foundations of the present order of things—property and the competitive individualistic motive-forces of self-interest—which must not be extinguished. The technical apparatus of the age of private capitalism having been successfully created by the action of these motive-forces on the *entrepreneur*, they must now be brought to bear upon the workmen and employees. The deep social cleavage which is dividing the capitalist order of the old countries is due in part to the fact that certain strata only have become imbued with the spirit of rationalism. This has enabled them to become the successful exploiters of the others, who are still bound to tradition. American rationalization has not confined itself to machinery. It has endeavoured to lay a hold of the workman, as it has laid hold of the business man. It can do so successfully only by accepting him as a fellow-being, and by cultivating a humane attitude, which may be the result of calculation, and is assumed to be profitable, but which is certainly quite sincere.

Political power in the United States has long ago passed into the hands of the masses. Economic power, on the other hand, is divided between labour and capital. The proportional strength of the two shares is continually changing. But those who do the work and those who own the capital are each of them dependent, in more or less equal proportions, upon the co-operation of the other party. In order that the worker may rely on the intelligent co-operation of the employer he must share in the employer's endeavour to increase the size and value of the national product on which profits ultimately depend. In order that the employer may arouse this spirit in the worker he must make him a partner in the growth of this product by

granting him a wage whose purchasing-power is continually increasing. But this is not enough. The worker's mind must be set free from that sense of subservience which destroys a man's dignity, and from the fear of dismissal, which breeds restlessness and undermines the sense of security without which increased efforts are impossible. The worker must be free from oppression and free from fear if the capitalistic system is to give greater yields than those promised by Communism; regular employment and high wages and security achieved by savings or insurance are quite as essential to this end as the proper management of the workers. They must not be treated as subserviently cringing semi-slaves, whose only motive to work is fear, but as fellow-men, full of energy and initiative, who will give of their best, since their own interests are concerned.

The American business man who really acts on the principle of "Service" to his customers is acting deliberately from an intelligent motive. It is in his interest to care for the interests of others. The American department-store, which assumes that the customer is always right, and accepts the justice of his complaints without inquiry and without hesitation, even when they are groundless, is not indulging in sentiment, but is displaying business common sense. And the humane attitude of the modern American employer who looks upon his employees as his fellow-workers is not less humane because it is shrewd. Political democracy has doubtless fettered the employer in the economic sphere, in ways which were unknown to autocracy; but it opens up new possibilities, to him who knows how to accept them deliberately, for the building up of a democracy conscious of its economic responsibilities.

The attempt to maintain or establish an economic system that shall not be split by class is impossible without some sort of permanent prosperity. Social peace is dependent on the extent and meaning of prosperity. Moreover, prosperity has a quite peculiar meaning for the American people. As the prophets foretold to their fathers, they have reached the

Promised Land. After endless vicissitudes and trials they have tamed Nature and subdued a continent to the will of man. Nature may still break loose in isolated catastrophes, such as earthquakes, droughts and tornadoes; she can no longer destroy the work of man; this will endure; this has come to stay. For those of the American people who believe that they can always recognize the hand of God in their destiny this prosperity was not a question of mere success, won by hard work, but a sign of fulfilment. And for the others also, who did not dream of setting up a Kingdom of God in America, but came over heavy-laden from Europe, to carve out an existence worthy of human beings for themselves and their families, for them also this prosperity had an important, almost a religious signification. They too have reached the goal. After strenuous labour, after drudgery the pains of which often exceeded their labours in their native country (though, of course, they had won personal freedom), they have laid for their children and their children's children the foundations of an existence worthy of human beings. Economic prosperity in America means that Nature has been tamed, and that man henceforward can be a human being, because he is no longer obliged to do the work of a slave. Far more important for the moral life of America than even the inventions which increase production have been the machines which lighten the physical burden of life for the individual.

Personal service has always been considered a sign of servitude in the United States. None but immigrants with a low standard of living would lend themselves to the performance of household tasks, so the supply of efficient domestic servants has been very limited. It was scarcely possible to employ in one's family the newly-arrived immigrants, who were frequently insufficiently "civilized," and could perform only the roughest jobs, if the requirements of the household were at all exacting. As soon as the immigrants had set their feet firmly upon the ladder they ceased to offer themselves for such services. After slavery was abolished only the rich

could afford to keep domestic servants. The more fully the country was developed, the less could the individual count upon speedy independence, the more probably he might have to remain an employee all his life; but he did not want to become a domestic employee. The distaste for domestic servitude has constantly increased. Chinese and Japanese immigrants, who had made excellent and willing servants, were finally excluded. Negroes were becoming independent, and looked to the mill rather than to the house for emancipation. A serious contraction of amenities might have been imminent—and indeed it did occur in certain social strata—if technical invention had not stepped in. The enslavement of a defenceless lower-class of a humbler standing than the employers and salaried workers has become unnecessary through the use of domestic machinery. The mechanical satisfaction of life's daily needs, whose hard pressure bore particularly upon the women, has been greatly facilitated. Running hot water, electric cookers, vacuum cleaners and washing-machines have at last set them free from the worst drudgery. Dirty and derogatory work need no longer be shifted from one class to another. Slave labour was given over by men to machines, thanks to the prosperity which owed its existence to the prevailing economic system. Something of Faust's satisfaction, therefore, has been passing through the American mind: "to stand with free people on free ground."

And, for the first time in the evolution of America, the second half of Faust's desire began to enter consciously into the conceptions of a considerable section of the people: the wish to hold the moment fast.

The successful employers of labour were working anxiously for the continuance of prosperity in order to safeguard their social position against shock, quite apart from the fact that one may enjoy a good conscience if the pleasures of life are shared by others. And the masses were beginning to cherish the same aspiration which has inspired the successful pioneer, who in his steady trek westwards has taken up farm after farm and

put it under cultivation, until in the evening of life he sells out the last of his farms, pockets his final deferred compensation, and reaches California, the land of the sunset. Here for the first time he can rest from the rigours of summer and winter and the never-ending strain of the farm. Labour and toil are at an end. Now begins rest.

That was the ultimate significance of prosperity which modern capitalism was trying to give to American life. People revelled and delighted in it, though they were never free of care. For they asked themselves: Will it last? and they always tried to assure themselves that it must last. But a dull, almost stifled note of misgiving could be heard through the loud satisfaction with which America proclaimed the sum total of her successes to the nations of the earth. It seemed almost to be a case of "disgruntled prosperity."

And from time to time something unexpected happened in the economic world. A bumper harvest, followed by a violent drop in prices, or a disturbance of the equilibrium between the different classes of commodities, or a political disturbance. Then a shudder went through the country. For in spite of all research into the nature of the business cycle, and all the cocksure interpretations of it, black Care was sitting beside the chauffeur in the world of today, as he used to sit behind the horseman in days gone past. A boom, no matter how great, has always been followed by a depression, corresponding in extent to the amplitude of the upward movement. Will it be otherwise today?

Will not progress, from the mere fact that it is progress, inevitably lead to crises, caused by this very rationalization, and will not their pressure cause further rationalization and further crises? Will it be possible so to control this rationalization as to prevent its consequences from falling exclusively on the working-class, in the shape of increasing and ever-recurring unemployment?

Prosperity implies something more than comfort and the meeting of all active human needs. In a new country, where

American family had to endure if they were not willing to lower their standard of living. The automobile has brought freedom of movement, not only in going to the place of work, but when work is over. People were beginning "to have time." Until lately, life for the American people was incessant striving. Now the bliss of mere being is beckoning to them. Hitherto time had always been money; now money was becoming leisure.

The central problem of leisure is unemployment. It is leisure without income; it condemns men who are dependent upon the proceeds of their work to involuntary unpaid leisure. *If it is often brought about by a technical revolution, through which the same or even an increased output can be obtained with less human effort, it is technically rational, and under certain circumstances it answers an economic purpose. But it does not answer a social purpose if the increased social output does not yield a higher return to those immediately engaged in its production; it does so only if the profit can be increased to such a degree that a surplus is available for the victims temporarily displaced, so that they can be decently cared for. If economic progress is bound to cause unemployment, then it must cover the cost of it to individuals and to society, and produce a sufficient addition to the national income to make good the damage done. In this sense only it is true progress. And it must be organized in such a way that the sum total of involuntary leisure caused by it will not by unfair distribution demoralize certain strata. Leisure must not be the mere craving for rest of the fatigued; it must acquire a positive meaning in the life of the whole nation.*

¹ *Recent Social Trends*, p. 829.

For centuries leisure, the possibility of leading a life without business obligations and encumbrances, has been looked upon as their highest aim by the leading classes in Europe. Those who possessed it did not always use it worthily; but they made the entire nation envy them—notwithstanding all sorts of religious homilies about the beauty of hard work. America is faced with the task of giving those who are engaged in business an understanding of leisure; she has to see to it, moreover, that enforced leisure does not permanently affect a limited but defenceless class. And she has to give a proper significance to leisure for all who may enjoy it.

The story is told of an American who by a supreme effort made his European guest board a moving train at the risk of his life. When the two had at last recovered their breath, the American said with proud satisfaction: "We have done it: we have saved a minute." The European waited a moment, and then asked his friend: "That is splendid: what shall we do with it?"

"What shall we do with the time we have saved?" That is the question which the American people will ultimately have to answer.

8. STAGNATION AND EXPANSION

The multiformity of the American landscape is reflected in American economic life. In spite of far-reaching standardization its component parts are extremely diversified. There are giant factories functioning with clock-like perfection, and little old-fashioned mills in some far-away villages, or an improvised mine on a remote hillside. Primitive conditions of production and corresponding conditions of labour are not rare. Quite a considerable portion of the American working-class has never fully participated in the great social upward movement of the country. The slums of New York and Chicago may have changed considerably, but they have not completely disappeared. Even in 1926, when Prosperity ruled, 80 per cent. of

everyone has always worked, it presents a new problem. It brings within the reach of ever-growing numbers of the community a thing which they have not known before: Leisure. The machine has shortened the working day. From 1890 to 1928 the length of the normal working week in many trades has been shortened by 6 per cent. to 29·3 per cent.¹ Household machines have put an end to the home slavery which the American family had to endure if they were not willing to lower their standard of living. The automobile has brought freedom of movement, not only in going to the place of work, but when work is over. People were beginning "to have time." Until lately, life for the American people was incessant striving. Now the bliss of mere being is beckoning to them. Hitherto time had always been money; now money was becoming leisure.

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all estates left by descendants of immigrants averaged less than \$300. At least 10 per cent. of the population were believed to be generally subsisting on the barest margin of income over the minimum standard.¹ There are enormous local and occupational discrepancies.

It is, of course, a matter of the greatest importance whether an industry is run by unskilled workmen, and these mostly aliens and negroes, as is the iron and steel industry, which employs not quite 300,000 native Americans out of a personnel of 730,000: or whether, as in engineering, there are nearly 700,000 native-born Americans amongst 900,000 employees. And whether the trade is or is not organized is a matter of no less importance, though some "open shop" concerns pay very high wages. Wages vary enormously between different regions. In the northern and central districts of the east coast the hourly wage was found to average from 47 cents in New England to 49 cents in New York, New Jersey, Pennsylvania, etc.; on the south Atlantic coast, it was only 29 cents, and in the districts lying further inland no more than 27 cents per hour.² Still more striking were the variations in the different industries: in industries such as railway transportation and the building trade, where employment was stable and the influence of the Unions on the increase, employees' incomes were on the up-grade most of the time. In the textile and coal industries, which were liable to serious and recurring dislocations, the decline of the Labour organizations was very perceptible: this was often accompanied by a worsening of the situation with regard to wages.³ In many of the coal districts of America depressing conditions have obtained for a long time past. While in the anthracite districts an average hourly wage of 84 cents was paid, very great diversities were the rule in the various bituminous coal districts, in which some 550,000 men were employed. Here there were numerous small companies (7,000 as against 254 in anthracite mining), over 70 per

¹ E. E. Cummins, pp. 128, 143.

² *Recent Economic Changes*, p. 439.

³ *Ibid.*, p. 481.

cent. of which employed less than 500 workmen. The proportion of aliens to the native-born miners was greater in the anthracite district than in the bituminous coal district, but, on the other hand, neither backward native-born Americans nor appreciable numbers of coloured men were employed. There were some bituminous coal-mining districts in West Virginia and Alabama where the number of coloured workers was from 20 per cent. to 53 per cent. of the whole labour complement.¹ A miner's wages amounted to 97 cents in Indiana, but to no more than 49 cents in Alabama. As the possible output of coal always exceeds the demand, and as new coal-mines with low costs of production are continually being opened, the wages conditions in the older mines are impaired by the greater productiveness of the newer. Many new mines are situated in districts like West Virginia, where negroes and backward whites are chiefly available. They live in out-of-the-way mining towns, where in the event of a strike they find no support from the rest of the population, or in villages which belong to the company. These groups of villages "... need only castles, drawbridges and dungeon-keeps, to produce to the physical eye a view of feudal days."² In these districts a kind of war prevailed between the United Mine-Workers' Union and the companies. The employers tried to keep the Union at a distance by the "Yellow Dog Contract," by which the workman pledged himself to belong to no organization. The Union organizers who came into those districts were prosecuted for trespass. On the other hand, the Unions had recourse to arms.³

The position was not much better in some branches of the textile industry. Quite a considerable part of the industry has been moved from the North to the South, with the object of enlisting the backward, cheap, unorganized whites who live in the mountain valleys.

In the year 1900, out of a total of 19.5 million spindles,

¹ *Report of the United States Coal Commission*, pp. 10-15.

² *Ibid.*, Washington, 1925. Part I, pp. 172-8.

³ E. E. Cummins, pp. 464-6.

only 4·4 million were set up in the South. In 1924 there were 17 millions out of a total of 36 million. Labour conditions naturally deteriorated in the districts which suffered from this emigration, especially in New England. In Fall River, for instance, in 1920 18·5 per cent. of all the children from the age of 10 to 15 were employed in the industry: 11·9 per cent. of those over 10 were unable to read or write; 41·6 per cent. of the girls over 10 were employed.¹

The workers in the newly-established industries come from the hill valleys, where immigrants of English descent have been living for centuries in almost complete isolation. The companies have been attracted by cheap water power, cheap electricity and unspoilt, easily-managed labour. They have erected huge up-to-date mills, run on quasi-feudal lines. They get their labour supply from among the long secluded mountaineers, and settle them in mill villages where the land and houses belong to the company. Rents are very low, and so are wages. In 1928 a spinner working full time earned \$12·70 in North Carolina as compared with \$24·44 in Massachusetts. Unionism is vehemently fought by the companies; strikes often lead to many shocking incidents and interferences.² Working hours are very long. The eight-hour day was practically unknown in the South, even at a time when there was only enough work to run the mills three days per week.³

Worst of all, in spite of restricted immigration and the diminishing growth of the population there was always unemployment. In the four years 1924-7 the number of unemployed fluctuated between 1·7 millions (1926) and 2·3 millions. In the winter of 1927-8 it was supposed to have reached about 4 millions.⁴

¹ In the year 1923, in the High Court of Justice, a law fixing the minimum wage for women was declared to be contrary to the Constitution. S. Blum, *Labour Economics*, p. 66.

² *Prosperity*, pp. 81-9.

³ E. E. Cummins, p. 70.

⁴ *Ibid.*, p. 35; *Recent Social Trends*, p. 856. The average rate of unemployment of manufacturing, railroad building and mine workers was close to 10 per cent. in the unusually good years 1923-9.

The American economic policy, as a systematic and rationalistic constructive policy, stands confronted by another systematic and rationalistic constructive economic policy: Bolshevism. It will not get the better of this by the persecution of Communist workmen, and by applying the practice of terrorism against the theory of terrorism, but only by superior economic achievement. It will win the battle only if it can go on increasing the social product, and if it can give the working-class an ever-increasing share in that product. In the long run high-handed equalization, levelling downwards the shares of all, cannot provide the same stimulus to production as the policy of differentiation of income and enjoyment. Such a policy, it is true, will not be able equally to satisfy every desire, but it can raise the standard of satisfaction for all high above their customary wants by "democratizing" the pleasures of life. This will inevitably involve a certain levelling of standards. So long as stagnation does not set in, it will not result in torpor. At the present day the increased productivity of labour, resulting from technical progress, better organization and an intensification of the workers' will to produce, must provide the expansion of economic possibilities which a generous Nature formerly offered to the pioneer on the stages of his westward migration.

Rapid advance is of course not possible in all departments of industry, nor in all undertakings in the same department. But even the industries in which progress is slow are influenced by the advance of the more favoured groups. For the increased purchasing-power of the workers due to a rise in wages in the favoured industries will not be absorbed completely by purchases from their own industry. It will automatically increase the possibility of sales for other industries, thereby enabling them to expand production, reduce costs and cut prices. A rise in their wages can follow only after sales have increased, thanks to other industries in which the costs of production are reduced with the increase of output. Two questions have to be faced: firstly, whether and where the

technical limits for the advance of the pioneer industries are to be drawn; and secondly, whether their influence will be powerful enough to carry the other industries along with them.

The actual problem is not merely the adaptation of existing purchasing-power to a given capacity of production. The capacity of production is passing through a phase of gigantic expansion. The issue is, whether the rise in the income of the wage-earners directly and indirectly concerned can take place in such a way that the reduction of costs by increased output compensates for the increased costs due to higher wages. And it is at least doubtful whether the adjustment in the home market can follow so promptly as to avoid at least temporary disturbances.

For this reason the exportation of manufactured goods has become of great importance to the United States. For a long time the States have been a protectionist country, exporting raw materials and foodstuffs. The duties on imported manufactured goods were borne by the American consumers, especially the farmers. The United States formerly held the whip-hand in their tariff policy. Things, however, are beginning to change. They are becoming dependent for their industrial sales upon the tariff policy of foreign countries. They have had an export surplus, for they were a debtor nation. They have not become a creditor nation, and they still desire an export surplus in order to dispose of the huge surplus of their agricultural and industrial production.¹ They must either allow this surplus and the interest on debts accruing to them (beyond what their tourists can consume), to remain as a loan in foreign countries, or they must admit foreign goods in payment. As long as they were unwilling to change their commercial policy they had to become, in an ever-increasing measure, the world's creditors. They had continually to enlarge the number of their debtors, for as they were unwilling to increase their imports they had to make new loans to the

¹ It is only 7 per cent. of their total output; but in many branches of production it runs to very much higher figures.

world by leaving the interest on debts falling due, as well as the payments for their surplus exports, in foreign countries. In a word, they had to start "an international business of financing consumers" on the largest possible scale. They were trying to ensure the prosperity of American economic life by giving consumption credits to their poorer competitors. In this way they were linking the prosperity of the United States to the prosperity of the whole world. Their own prosperity was ensured only if American capital in all quarters of the globe was safe and productive, and if the social system of the other nations was attuned to the American system, though perhaps in a slower tempo. Even before the crisis there were doubts.

CHAPTER VI

THE PURITAN TWILIGHT

I. PURITANISM

The intellectual and spiritual life of the American people owes its peculiar character to Puritanism, especially to Puritanism in its New England form.

The word Puritanism may mean different things: an attitude toward life, a religious movement, a certain political party. In American history it has borne each of the three meanings; but it is the first, the attitude toward life, which has exerted a visible and decisive influence.

For the Puritan attitude, which was in many respects an ascetic attitude toward life, or at the very least toward certain of its joys, is found not only in certain religious bodies, holding certain doctrines: it has coloured the opinions of the most widely divergent Protestant communities. Perhaps it was strongest amongst the Methodists, who separated from the Church of England as lately as the eighteenth century. As they originally preserved the form of Episcopal government, they are but loosely connected with the original Puritan movement or the early Puritan parties.

This Puritan attitude was not confined to the United States. Almost all its manifestations can be traced back to the British mother-country. But in England it has never been the attitude of the dominant party, for until far on in the nineteenth century the English dissenting communities had to live in the shadow of the established State Church. For a long time their members were excluded from political rights; they were obliged to pay tithes to the State Church, and they enjoyed only a limited protection for their own form of worship. They derived their strength from the great body of the middle and lower classes of the population, who had not yet gained access to

political power: the ruling classes belonged to the State Church.

In the United States, on the other hand, the Puritans constituted the ruling classes. In New England particularly they set up a Puritan theocracy.

The Pilgrim Fathers who settled in Massachusetts laid the foundations of the democratic self-government of America in the Congregationalist constitution of their Churches. Church and town were to them a community of like-minded people, bound together by a Covenant with God and with each other. Only the like-minded could be members of the Church, and with it of the township. The Church community—the congregation—chose its ministers and teachers; the town community—the township—attended to the apportionment of land and other communal concerns. There arose a democracy composed of like-minded people who took care, by setting up an educational system, that the children should be like-minded too, since they were instructed in their parents' opinions. And they ensured the continuance of this like-mindedness by excluding from all rights those who disagreed with them. As many who were not like-minded had joined the colony, in practice a theocratic obligarchy soon developed from the theory of a democracy; it was overcome only after a hard struggle.

Yet the principle of democratic self-government in Church, town and school spread from New England over almost the whole of the United States.¹ The leading stratum of Old England had been composed of narrow but cultured theologians who presented a complete system of teaching in their schools and universities. Their descendants and successors grew more liberal by degrees, and became the "Brahmin class" of New England, the guardians of the Sacred Flame, from whom the rest of the population derived the invaluable light of truth and education.² For the Puritans of New England, who wandered

¹ James Truslow Adams, *The Foundation of New England*, pp. 131-3, 152-3, 253, 443.

² *Ibid.*, *Revolutionary New England*, pp. 139-41. *New England in the Republic*, p. 352.

and scattered over the whole country, were "born teachers, militant teachers, the kind that order other people's lives. Their 'education' was not really education but tribal Propaganda."¹

Their communal life was originally based upon the conception of the common likeness of the individual souls belonging to the members of the community. Each felt himself responsible to God, without any intermediary, for the salvation of his eternal soul. In contrast to the neighbouring New France, where the community formed a closely-knit, self-contained body under the care of a priest, the Puritan community, in every sect alike, was a loose aggregation of independent souls.

This conception has given rise on the one hand to the theory of American democracy, and on the other to that of the melting-pot. Everything which is of the same kind has the same rights; and everything which is not of the same kind must be assimilated by melting it down, that it may become so. At a later date this notion was used to justify repeated persecutions of aliens, and efforts to bring about a hundred-per-cent. Americanism by coercive means. When these efforts had failed a complete change in the immigration policy was embarked upon, aiming at the exclusion of unassimilable foreigners. In spite of the strong communal feeling, individuals and groups continually split off from the groups which had constituted the social organization of the country from the beginning, as the individual made up his mind to liberate his own will and conscience. New members joined, old members withdrew, fresh communities were formed.

As all truth was contained in the Bible, where it could be found by the individual through reason, revelation or faith, the individual's desire for redemption continually overstepped the bounds of established doctrine in his personal anxiety for the salvation of his own soul; with an almost anarchical arbitrariness every man was free to follow his own path to

¹ *The Great American Ass.* (Anonymous), New York, 1926.

personal independent religious activity. The result was an almost uninterrupted growth of new sects.

Since the beginning of the nineteenth century there has been no State Church in the United States secure in its secular endowment. Each church has had to lay the material foundation of its own life through unprotected competition with other churches. This has been made possible only by means of energetic propaganda.

The importance of propaganda was discovered by the great Methodist apostles. Though Methodism was originally organized as an Episcopal Church, having adopted a form of government based on the authoritative principle of the Church of England, its great propagandists deliberately appealed to the emotional instincts of the masses. In England, as in the United States, they were the creators of modern mass-agitation, and compelled the other sects to copy their methods. Propaganda was not merely an attempt to rescue souls in danger, but also a means of winning ground for one's own religious community. The political and business propaganda which is so conspicuous in American advertising is a secular imitation of an activity which in the beginning was purely religious. The promises of a better world with which the itinerant preachers tried to entice souls into the separate enclosures of the various sects prepared the way for the technique of competition for the goods of this world.

2. ASCETICISM

The early Puritan leaders of New England possessed originally a fairly high level of culture. By farming, fishing, trading and shipping they wrung from the lean soil of New England prosperity, comfort and finally riches. With them they furnished New England's white wooden houses, overshadowed by elms and maples, which produce an impression of warm and intimate comfort, even though their inhabitants, so long as the shadow of eternal damnation lay over them, may have looked

upon themselves as lonely pilgrims in this cold world. They worked for work's sake, and to make themselves forget that great peril ahead of them: for the honour of God, and not for their own pleasure. Thus the anxious care for their souls which was at work within them compelled them to ever-renewed and more powerful efforts to deaden their inward anxiety: at the same time it prevented them from enjoying the fruits of their labours. Uncertain of their salvation, they were for ever seeking for certainty.

Meanwhile the deistic movement of the Old World was spreading to New England. In the Unitarians a body of highly intellectual thinkers emerged from the old New England congregations. The conception of a Godhead who elects and damns in the arbitrary fashion of a Dictator was logically an irreconcilable contradiction of the conception of a God-founded democracy, embracing all like-minded people as members of equal worth. Under the influence of the teaching of the Methodists, election and redemption no longer appeared to the masses as the outcome of divine arbitrariness, but as the result of inner illumination and conscious reconciliation with God. In spite of the intrinsic logical consistency of the doctrine of predestination, as a theoretic system it was shattered upon the will of men to eternal life. For a long time, however, the attitude toward external life remained unchanged.¹ Man must order his inner and outer life with care, subduing those instincts which Nature has given him. For in them lies temptation, but salvation lies in discipline.

The advance of Methodism, with its passionate propaganda, broadened and coarsened religious thought. The Methodists addressed themselves to the masses, and attempted to control their way of life. They may not have possessed the cultural traditions of New England, but they had the faculty of gripping the souls of the masses. They had to deal with very rough and simple people. Though many cultured people became pioneers when the great westward movement began, pioneering is not

¹ James Truslow Adams, *Revolutionary New England*, p. 172.

a gentle trade. Fighting Nature and native tribes does not develop a man's more refined instincts; it calls for brutal strength, and sometimes even for low cunning. It hardens the soul and toughens the body, and makes men impervious to softly-spoken appeals. A religious propaganda which seeks to control efficiently the passionate, primitive impulses of a population to whom lawlessness is almost the only law must be direct, simple and strongly worded. The more democratic the appeal of this Puritanic crusade, the more peremptory in many respects its denial of the joys of life. It must develop into a flat negation of even harmless pleasures. For if pleasure and joy as such are permitted, the exuberant strength of the successful pioneer will not respect any limits. Moderation can be expected from old-established civilizations, but not from the conquering forerunners of an order of things which has not yet fully evolved. This new, highly emotional Puritanism, adapted to the prejudices of populations newly awakened to religion, and socially backward, may have prevented them from acquiring a knowledge of refined pleasures; they looked upon them with disapproval, not only because such pleasures might endanger their own salvation, but also because they had hitherto been enjoyed by people who considered themselves their superiors. Primitive democracies are apt to call vices the pleasures of their aristocratic opponents.

A series of taboos is set up. Not only is the sanctity of the Sabbath day ruthlessly observed; on the Sabbath in the Puritan home the roller blinds must never be drawn up, nor the sun's rays admitted into the farthest corner of the house—a custom which still exists amongst non-Puritans, and which has something to do with the housewife's dread of colour-fading. Cards and dancing are forbidden: the theatre is synonymous with sin. Every innocent pleasure is dangerous—because it is a pleasure. John Wesley himself persuaded Sophia Hopkins, for the salvation of her soul, not only to give up the wearing of brightly-coloured dresses, but also the eating of late suppers.¹

¹ I. A. Doyle, *The Colonies under the House of Hanover*, p. 467.

And Joseph Smith, the Mormon prophet, whose asceticism was of a strictly limited character where the other sex was concerned, debarred his people (1855) from the enjoyment of alcohol and tobacco by a divine revelation to himself.¹ In alcohol, and even in tobacco, the Devil lies in wait. Everything which rouses the instincts and gives pleasure to the senses must be suppressed. Its place is supplied by religious devotion, which, men being what they are, is the safety-valve through which the yearning for life finds an outlet in the passionate fervour of revivalist meetings.

The hatred of life's gaiety, which was a sentiment originally restricted to purely religious issues, and the hatred of those who possessed worldly goods, were welded into one by democratic religious propaganda, to serve as a weapon in the warfare against sin. Quite naturally he who has no money for the gaieties of life thinks it sin for other people to enjoy them. "Everyone who was well dressed or who bore any outward signs of prosperity was offensive in his sight," says Herbert Asbury of his relative, the great Methodist Bishop, Francis Asbury.² It is very curious that the Saints' attitude to luxury is shared by the modern Bolsheviks, though of course for different reasons. Having started with the theory that Communism can produce more goods than Capitalism, and distribute them better, it has now learned the comparative limits of Communistic production, at least for the time being, and advocates equal simplicity, and even equal penury, for all as the only means of keeping the system going. In the Communistic creed the bourgeois who strives after wealth and its enjoyment is taking the place of the sinner.

The great movement westwards confronted the nation with a twofold task, which Puritanism successfully accepted. New England teachers carried the principles of education and political organization over the whole continent, and the Methodists, and other communities of a similar character,

¹ M. R. Werner, *Brigham Young*, pp. 80-1.

² *Up from Methodism*, p. 124. *A Methodist Saint*.

supplied the religious ideas which were to inspire the life of the masses. They could not guide their conduct by an appeal to earthly authority; they sought to regulate it through the fear of Hell.

This fear of Hell was the sanction by which the ministers and public opinion sought to control the will of mankind and subject it to moral demands. They were not able completely to suppress the joy of life in its various forms, but often enough they drove it underground, unless their victims, thanks to the possibility of establishing new sects, escaped from their pressure by joining a more liberal religious community.

The pioneers had to live in a hard materialistic world; they were readily inclined to forget the visions of Hell in their daily wrestling with Nature, and to spend the scanty leisure left to them after their hard day's work in the enjoyment of brutal pleasures. This would continue until some itinerant evangelist came amongst them, whose exhortations and descriptions teemed with "lakes filled with burning brimstone, and ages of undying torments." Many of his expressions "cannot be put down on paper. They were too gruesome to be kept in memory." Nevertheless, the people went evening after evening to hear him. For he represented their "Theatre." "The Preacher, jumping to and fro, railing and roaring till the windows rattle, the mother with the sleeping infant in her arms, the anxious distorted faces of girls, the men struck rigid with amazement—these are like shadows and images which one sees like uncanny visions in a restless sleep." . . . "A wave of Puritanical gloom swept over almost every heart. Youth and love became hypocritical and secret."¹

So matters stood at the beginning of the seventies in the newly-settled prairie-lands of Iowa: they had not greatly altered in the year 1915. At that date the Reverend Billy Sunday, a former football player, conducted his "Cleaning up Campaign" day by day in the big cities, addressing crowds of 15,000 people and more, who assembled every evening in a tabernacle

¹ Hamlin Garland, *A Son of the Middle Border*, pp. 97-8.

specially built for this purpose. Like a demented monkey he leaped about before them upon the platform until the sweat rolled down his face in streams. He told the assembled crowds, in words whose coarse lucidity left nothing to be desired, that there is little about Heaven in Holy Scripture, but a great deal about Hell. With a wealth of accurate detail that would have done credit to a travelling cicerone, he painted for them the terrors of Hell as they might appear to a sober, but easily excitable, plain American citizen. He was able to convert thousands who were in danger of falling into a barren materialism, and to persuade them to a regular way of life, free from alcohol and vice. In an access of hysterical penitence, before the eyes of a trembling yet admiring public, they trod the penitential path strewn with white sawdust—the “sawdust trail”—which led to the speaker’s platform. Next morning the newspaper would publish reliable, detailed statistics of the numbers who had repented and had been saved by taking the “sawdust trail.” And while they vowed penitence the crowd, following a trumpet-voiced choir-leader, scarcely inferior in gymnastic ability to Billy Sunday himself, sang a hymn whose hideous jazz rhythms made one shudder:

“Put a little sunshine into your life.”

3. PROHIBITION

Prohibition was the last and greatest triumph of Puritan propaganda. The leading classes of society all over the country, as well as the masses of immigrants, objected to Prohibition. Many of them disapproved of the American drinking customs, and opposed the “saloon.” The saloon was not an inn where one could sit comfortably in good company after the day’s work was over. It was a bar, at which, standing or squatting, one swallowed in haste, in accordance with the rhythm of American life, great quantities of strong drink. One man drank to another. It was considered unmannerly—in the West it was even dangerous—not to accept a drink and immediately

propose another. All kinds of *hors-d'œuvres* stood on a separate table, from which one could take, free of charge, as much as one wanted. In the more luxurious bars these cold dishes were often very sumptuous. Their price had of course to be included in the barkeeper's reckoning. So one had to drink quickly, and drink a good deal. It was not considered good form merely to sit about and lounge—although American good nature winked at many a poor devil who took the edge off his hunger at the bar breakfast-table, not knowing where his dinner was to come from.

Where the German element was present in force inns and beer-gardens after the European pattern sprang up. As a rule, the immigrant populations were their only regular frequenters. To the American, "Across the Rhine" or "Little Germany," as he called the German districts, was a queer place, like Chinatown in San Francisco, to be stared at on occasion. As the German immigrants were caught up in the flood of American life, and particularly after a generation born in America had succeeded those who had come from the old country, the bar began to replace the inn. The breweries found the bars far more profitable, as a bar was much cheaper to run than a decent inn, and they adapted themselves quickly to American methods.

The saloon has always been closely connected with the corruption of the American cities. The leaders of the "rings" (the "bosses") which so often fleeced the city and the State made their headquarters in a back parlour of the saloon: their heelers and helpers were recruited from its regular frequenters. In the saloon the elections for the district were "fixed," and in the saloon the secret bargains were struck by which a group of capitalists obtained concessions (franchises) for street-cars, gas installations or electrical power stations from the city officers.

After the temperance movement had gathered strength in America, and had become victorious in certain States, the brewers and distillers realized what it meant to their vital

interests. They defended themselves by giving financial support at elections to the groups and parties which were fighting local option and Prohibition. As hostility to Prohibition was strongest amongst the newly-arrived immigrants of non-Anglo-Saxon origin, the liquor interests found themselves, often almost against their will, in opposition to the native-born American population. They supported the foreign-speaking Press, and so came under suspicion of opposing complete Americanization. They encountered, moreover, the social antipathy with which American society, under the influence of Puritanism, regarded the brewers. The great meat-packers were admitted without question into the local plutocratic aristocracy when they had made enough money, and if there was nothing against them personally: but entry into the best American society was denied to brewers. Most of them were aliens, and the money earned in the saloon was supposed to stink morally—though physically the saloon did not poison the air like the slaughterhouses of Chicago. By this exclusion the brewers were driven towards the alien masses, from whom, it is true, most of them had sprung originally, but with whom they felt only a limited sympathy, for like most successful people they would have preferred to become fully Americanized. In the eyes of the American public brewers and distillers seemed to be not only the beneficiaries of a more or less sinful trade, but an obstacle to the complete assimilation of the aliens, and a threat to Americanism.

After the brewers and distillers had frustrated an attempt to introduce temporary Prohibition for the duration of the War, it became fairly easy for Prohibition propaganda so to inflame public opinion that the House of Representatives and the Senate would vote for permanent universal Prohibition. As this provision would infringe the Constitution, it could become law only if three-fourths of the separate State Legislatures agreed to accept an Amendment to the Constitution. They did so, and the Eighteenth Amendment of December 1, 1919, forbade the manufacture, sale and conveyance of

intoxicating drinks. It was supplemented by the Volstead Act of January 16, 1920, which declared all beverages containing more than $\frac{1}{2}$ per cent. of alcohol to be intoxicating.¹

The saloon had been closely bound up with the more evil phases of corruption. Its disappearance has not put an end to them; in many respects Prohibition has aggravated them. The efforts of millions of thirsty souls to obtain alcohol at any price in defiance of the law has put enormous profits within the reach of its secret purveyors. A gigantic machinery was evolved for the secret importation of spirits across the frontiers, as well as for the illicit production of alcohol at home. The commercial organization for the infringement of the Prohibition laws assumed huge proportions, and required an enormous capital. A whole army of middlemen had to be fed and maintained.² "Boot-legging" on a vast scale was possible only if the authorities and the parties concerned played into each others' hands. The boot-legging gangs had to be at least tolerated by the police. This toleration often went a long way. Street-fights with armoured cars and machine-guns, between the rival gangs who were the Praetorian guard of rival boot-leggers, were followed by gruesome murders, without much interference from the police, who seemed to regard such affairs as the private concerns of those who took part in them. Public opinion did not become incensed until "neutrals" were hurt. And even then the influence of such kings of the

¹ The Eighteenth Amendment, like other Amendments, cannot be repealed by a law enacted by the House and the Senate, and assented to by the President. As it has become part of the Constitution it must be laid before the Legislatures of the forty-eight separate States. Repeal can follow only if three-fourths of them agree to it—that is to say, thirty-six States. The Volstead Act can be amended or repealed by an Act of Congress. Moreover, it is questionable whether the separate States do not possess the right within reasonable limits to accept a different definition of alcoholic beverage from that provided by the Volstead Act. The Volstead Act has been amended by the new Congress. Light beer (3·5 per cent.) is again legal drink. And the sixty-six States can be expected to ratify the repeal of the Eighteenth Amendment.

² M. J. Bonn, *Prosperity*, p. 50.

Underworld as Al Capone over the police and the lower judiciary was so great that the authorities were almost powerless to stop the scandals.

Making the country dry by compulsory Prohibition was the logical outcome of the Puritan mentality, working for the reform of mankind. To this mentality natural impulses and attachment to this world, with its joys and sorrows, are abominations. All longing and yearning must deliberately be centred upon the Kingdom of Heaven. Of all earthly temptations alcohol most readily throws open the gates and admits mankind to the realm of joy, if only in a state of drowsy intoxication. To curb one's impulses and one's instinctive desires, and to resist temptation of every kind, is more difficult when fancy plays with temptation. There are not many men whose normal pedestrian fancy is a danger to them in daily life. But drink lends the wings of Pegasus to the leanest cab-horse. They may be only wings of wax, which melt when he attempts an Icarus flight to the sun; yet Icarus has left the solid ground far below him before his fall begins.

For this reason, drink seems to the Puritan to be the most dangerous of all temptations, because man most easily falls a prey to it, and because it not only makes other temptations attractive, but actually brings them within his grasp. Alcohol must be fought because it frees men for the time being from the notion that this world is a melancholy and comfortless place, and lifts them to a joyous world where sin is non-existent. It is not only dangerous because it weakens the health of the intemperate and reduces efficiency; it is particularly heinous because it deludes men with the promise of a happiness which is not of this world, and yet wears its smiling features.

Provincial Puritanism has been strong enough to give outward legal sanction to what it conceived to be a moral law. It has not been able to ensure its practical enforcement. Though important social and business motives, as well as motives of health, have supported the cause of Prohibition, a bitter war

has been waged against its enforcement. The "Wet" movement was not merely the opposition of those who have fallen victims to "Demon Rum"—many of whom would support an organized temperance movement with all their might—it was a revolt against the tyranny of sects which wish to force their pattern of conduct upon those who differ from them in ways and views. In this battle they have not shrunk from evading or even from defying the law.

The partisans of Prohibition think of drink as a social poison. In their opinion the rights of individual freedom cannot be taken into consideration when the infection of the whole social body is at stake. The majority have the right to safeguard the health of the entire commonwealth, if necessary by coercing the minority, especially when a large proportion of this minority are aliens and deluded. The same fanatical temper which put a stop to compulsory vaccination in modern England, and has made ever-recurring epidemics of smallpox possible in the name of freedom of conscience, has imposed social coercion on the people.

The sacrifice of personal freedom for the sake of a narrow social ideal has shaken the foundations of democracy. Again and again the members of the outraged minority have asked why they should be forced to renounce drink, although they do not misuse it, merely because a proportion of their fellow-citizens have not sufficient moral strength to resist temptation unless it is put altogether out of reach. They are not willing to sacrifice their own freedom of will, which permits them enjoyment in moderation, to a hysterical weakness which must be protected. They see in Prohibition a threat to personal liberty, the destruction of the foundations of American life. For the American Commonwealth seems to them to be founded upon the principle of personal freedom of conscience. The restriction of freedom of action—apart from those actions which undermine the natural foundations of human society—seems to them like a betrayal of the forces and ideas which have made America great. The ideal of the American people

has been individualism; the ideal of Prohibition is negative collectivism. In their view American history has always been a history of rebellions. The minority is not in duty bound to obey the majority if the latter demands an "injustice."

A law which cannot be easily altered on account of the complicated conditions under which it obtained a majority, but which appears immoral to a considerable part of the population because it threatens the freedom of the human will, is not to be tolerated. The result is that important groups considered it to be their moral duty to refuse obedience to Prohibition. The natural law of human freedom was the political foundation of Puritanism. No positive law was binding which came into conflict with this higher law. Yet in this case provincialized Puritanism had forced upon its fellow-citizens legislation which seemed to them a violation of this natural law; viewed from the eternal standpoint of human liberty, it is not binding. The right to anarchy, which some Abolitionists proclaimed to the world by their resistance to the laws protecting slavery, was revived by their descendants when they introduced Prohibition. Under the pressure of the administration of Prohibition an organized opposition to the law was set up, in which the love of freedom, physical thirst, and financial greed were curiously mingled, but which has shaken the basis upon which every democracy is founded: obedience to the law. The defeat of Prohibition at the last election was less a triumph of drunkenness over temperance than a victory of lawfulness over anarchy.

4. THE GROWTH OF WORLDLINESS

High-handed Puritanism has always aroused some opposition in America. Puritanism has everywhere been a bourgeois movement, which has derived its main support from the middle-classes, and has affected the aristocracy only in isolated cases. In England the upper-classes have never adapted their lives to the Puritan ideals, and even the working-class has

retained a good deal of its old "Merry England" attitude. In American life aristocracy never had a really broad basis: even in the South the majority of the landowners were not aristocrats but peasants, keeping house in rather a poor way with a couple of coloured servants. In their own eyes they were all gentlemen compared with the negroes, but in the judgment of the world they first received their *imprimatur* as such after the catastrophe which involved the whole South. The ancestors of the comparatively few aristocratic country gentlemen who settled in Virginia, the Carolinas and Georgia, brought the traditions of the "Merry England" of Elizabeth's time into the New World; in spite of their polished exterior an element of coarseness was not lacking; and they afforded a striking contrast to the sugary romanticism with which America's Victorian novelists loved to adorn the cavaliers of the South. George Washington, the national hero, was far more of an English country squire, in the style of the eighteenth century, than a "Bayard without fear and without reproach." He loved hunting and the theatre. This did not suit public opinion. When in the winter of 1778 he and his officers had attended an amateur performance of *Cato*, Congress passed a law forbidding all officers of the Republic to visit the theatre on pain of dismissal. It is characteristic that present-day writers are trying hard to bring out these very "unorthodox" traits in his character, and to destroy the portrait of the Father of their Country as painted by the New England "school-marm" for her little pupils. There was a genuine, robust, deep-rooted joy of life in these Southern gentlemen, which found an outlet in foxhunting, drinking, dancing and love-making, not by any means always of a milk-and-water description. They are as far from the popular portraits which have been painted of them as real champagne is from ginger-beer, though it be never so effervescent, and served in bottles with gilded corks. And in intellectual matters Thomas Jefferson, George Washington's great political counterpart, represented the very liberal opinions of a European *grand seigneur* of the Age of Reason.

Unlike the aristocracies of Europe, and more particularly that of England, this small American stratum has not been able to hold its own against the rising flood of democracy. As a class it has become extinct. With it the anti-Puritan influence which was exercised by its fellow-aristocracies in Europe has also disappeared. Its place was taken by a plutocracy influential in business and politics, whose leadership in economic matters was tolerated partly because it did not differ very greatly in religious matters from the masses from which it had sprung. It strove indeed for social exclusiveness and the imitation of European customs and manners. Where these came into conflict with the American middle-class spirit, they could be indulged in only during European travel. Thus there arose a peculiar social class of *émigrés*: a class of *nouveaux riches* who hoped to pass as an American aristocracy by conforming to European standards, in which process they were often enough obliged to throw their deeply-rooted Puritan prejudices overboard. They could do so only by sojourning in Europe from time to time. They played the aristocrat at the Cowes Regatta or on the Riviera; at home in their own houses they had to set an example of middle-class responsibility, even though they occasionally kicked over the traces. Social ambition, that great driving-force of American life, has constantly led fresh groups of the newly-rich to ape these regular pilgrims to Europe. So they have crossed over to Europe in ever-increasing numbers; the majority for a short trip in the season, but others to settle there permanently. Many of them saw nothing in Europe but inferiority, which, in their opinion, follows directly from its difference from America. But ever-widening circles are drawn within the radius of the many-sided European life, which may not be found in its typical form in the centres which they frequent, but which certainly is not based on the moral values of Puritanism. English country houses and French pleasure-resorts, German universities and Italian galleries have increasingly affected the American masses. The rôle which the pleasure-seeking aristocracy fulfils else-

where, in shaking up the unsophisticated minds of the rather naïve middle-classes, has in American life been played by the European. European ways and European views have deeply impressed themselves on American art and literature. The best native painters and writers have looked upon Rome, Paris and London as their second home, however much they were wedded to their native land. Some of them had to exile themselves permanently, as their genius could not flourish on their native soil. They taught Europe the importance of American artistic and literary co-operation; but they taught their countrymen the values of European life. The more their genius was acknowledged abroad, the more brilliantly it shone amongst their own people, and drew them, spiritually at least, into spheres originally somewhat impermeable to Puritan thought.

The heaviest impact of Europe on the American mind was accomplished on a huge scale by that crusading journey to the French front which tore over a million young men from their middle-class environment—many of them from the most humble homes—who, but for the World War, would never have crossed the ocean. It showed them not only Europe—a Europe in moral dissolution—but life itself, very different from their own experience and from the representations of their mothers and school-marms. The Puritans who preached the War as a Puritan crusade for world-purification have been severely punished. Many souls have been inoculated with the European virus which would never have known of its existence under normal circumstances. In the country towns of England, Germany and France there live millions and millions of people with moral ideas not unlike those of the American small townsman. Until recently, at all events, they had not been greatly influenced by the life of the national metropolitan element. The mass expedition to Europe brought millions of American country-townsmen under influences which neither a native aristocracy nor a native metropolis would have been able to exert upon them.

An even stronger, though more gradual, effect was produced upon the Puritan view of the world by the fact that although the United States were indeed governed for the time being by Anglo-Saxons with a Puritan mentality, these were not its only inhabitants. Immigration has not only affected the racial composition of the people of the United States; it has greatly changed their cultural and spiritual values.

As a result of immigration, Puritanism no longer represents the majority of the white church-going population. Out of 48 million church-goers, 18·3 millions are Roman Catholics: Methodists and Baptists together number only 16·6 millions; of these 3 millions are coloured Baptists, and 1·4 millions coloured Methodists. Although these negroes may be counted the most fervent adherents of their Churches, as far as creeds are concerned, there is no trace of Puritan rigidity in their notions of life, apart perhaps from the attitude of their leaders towards Prohibition.

Immigrants and negroes have been pressed into the external forms only of Puritan life. The melting-pot has uniformly affected their ways of dressing; it has not greatly changed their souls. Its comparative inefficiency became evident on the outbreak of the War. And the attempt, made under the pressure of the War psychosis, quickly and completely to Americanize the immigrants and their descendants to the last man or child, has met with the natural failure. The mental tension between the New England mind and the alien's conceptions of life, whose natural outlets were in many cases suppressed during the War, has become much more acute. It finds expression in a modern school of literature which deliberately treats Puritanism as hostile to life and as an enemy to civilization; its inmost values are attacked; everywhere may be noted efforts to belittle its influence. Novelists and popular historians vie with each other in destroying the halo with which the legends of New England have dressed up the deeds and the men of American history. Some of these writers are conscious of their non-Puritan stock; their attack is based,

in a sense, on racial resentments. Others again, who belong to the ruling caste, rebel against their own inheritance because it starved their bodies and suffocated their minds.

Puritanism can no longer curb the impulses of foreign life: it feels itself gripped by its rhythm. We have only to note the influence of "jazz." In all the big cities where people of immigrant origin predominate the theatre has become a regular institution. In the small towns, where a business enterprise could not pay its way, particularly in the university towns, "Little Theatres" have sprung up, organized by amateurs. The cinema has democratized the desire to "see." It may have deprived pure dramatic art of some of its spiritual values, but in its stead it has brought form and colour into the drab everyday life which the masses are compelled to lead. Puritanism was strong enough to make war upon the joy of life indulged by the few, who sought to steep their minds in the world's greatest works of art. It is not powerful enough to suppress the pleasures of the seething masses.¹

There are tendencies in modern American literature which not only look upon Ethiopian ways and African vitality with a sort of benevolent tolerance, but even set them up as the natural way of life, as the ideal after which America must strive if she is to escape from a mere slavish imitation of Europe. The twilight of the Puritan Gods has set in; the pillars of their temples quake and tremble; their statues are falling from their pedestals.

Settled conditions and growing wealth created a twofold problem of conduct. So long as the entire American population was occupied in continuous wandering from one State to another, and, always restless, never firmly rooted in the soil, was always on the move, the outward forms of life were temporary and provisional. An image of those days might still be

¹ The depression has affected the theatres much more adversely than the cinemas. The gross weekly receipts of the New York theatres fell from \$849,000·00 in 1928 to \$222,500·00 in the present year; the cinema takings declined in the same period from \$479,700·00 to \$365,500·00 (*The American Mercury*, April 1933, pp. 478, 422).

seen a few years ago in those American towns which, like the great copper city of Butte in Montana, have remained mining camps. This attitude agreed well enough with religious conceptions which looked upon men as strangers and pilgrims, who, travelling heavenwards, must regard the pleasures of this world as snares and pitfalls on their earthly pathway, by whose means the Devil seeks to prevent them from attaining eternal salvation. Today the whole continent has been settled and subdued by the power of man. Wealth has grown to such an extent that there is time not only to earn, but also to possess and to enjoy. So the problem has arisen, how to turn movement into stability, and how to shape being out of striving.

Industrial progress has greatly furthered this revolution. First, it demands from man a definite, a worldly objective which ties him down to earth. It has brought him into touch, in the cities and towns, with multitudes of men of a different way of thinking, especially with the immigrants, who gravitated in masses toward urban America; not because they, like the first settlers, were concerned for the salvation of their souls, but because they wanted to work their way out of the economic misery of their native country. Even though the immigrants and the American workers kept apart in many industries, even though their residential quarters were often set apart as national ghettos, factory and neighbourhood fostered relationships, and brought about an interchange of new ideas.

Moreover, the energy of the Puritanically-minded Americans who accumulated wealth with all their might, originally perhaps without enjoying it, has created a situation in which the joyless striving after production for its own sake has ended in its own negation. A world based on the division of labour can continue to expand only if the goods which are produced can also be enjoyed. Sales without consumption are impossible. And as the immense productive capacity of the country has prevented the limitation of consumption of goods to the barest necessities of life, "luxury" is the inevitable consequence. The economic system which American capitalism has set up

for itself can continue only by selling goods. It can go on selling goods only if men make demands. For the very reason that its capacity for production and its possibilities of expansion are almost unlimited, it can persist only by continually arousing new demands. It tried originally to stifle the natural instincts by forbidding the capitalist to spend his income on pleasure, and by forcing him to save it. In that case other capitalists or non-capitalists had continually to evolve new demands, whose satisfaction might not be desirable from a moral standpoint, but which formed the basis for the growth of the capitalist system. Eating ice-creams or drinking brandy, buying silk stockings or a wireless set—these things are equally pleasures from the consumer's standpoint, and necessities from the standpoint of the satisfaction of demand. The vast expansion of American industry has compelled Puritanical America to that pursuit of pleasure in practical life which it had rejected in ethical theory.

On all sides the practical conduct of life has come into conflict with the old ideas. In most departments the representatives of the old ideas have given way. The fathers of Puritanism would certainly have counted it a sinful indulgence to take a warm bath every day. There were plenty of preachers who thought it sinful. Nowadays the spread of modern sanitary installation plants has been advertised as the greatest triumph of American progress.

The motor-car has played the decisive rôle in this connection. It has not only diverted people's income into totally new channels—the clothing industry has something to say on this head—but it has become the great passion of the masses. It enables them to escape from the monotony of daily life, and at least once a week, and once a year, to give free vent to the old American love of roaming without the risks of the pioneer life. It is not only a general incentive to worldliness, like the theatre and the cinema: in one sense it weans the multitudes from the Churches, for it carries them off into the country on the very day when force of habit would make

them attend service.¹ There is little use in opposing it; the American Churches are democratic Churches; they cannot set themselves against a mass attitude which is founded upon the realization of an American ideal. For the automobile is the embodiment of scientific progress, of a deliberately rationalized life, of personal freedom, of living at high speed, all things expressing, each in its own way, the inner meaning of American life. By intelligence, hard work and ingenious efficiency an industrial system has been created on which the country justly prides itself. Not to comply with its logical demands for increased consumption would be to deny its real significance.

Sport works in the same direction. It absorbs not only the hundreds of thousands who devote themselves to it, but the millions who look on. This calls for an organization of pleasure throughout the whole country. In this way amusement has acquired a business character. And because business as contrasted with mere play appears praiseworthy to the moralist, because it is not and cannot be an amusing game, but, like a religion, demands strict rules and regulations, pleasures have lost part of their sinfulness. In the sporting countries of old Europe the love for merry games is alive; sport, practised as a profession and not as a pastime, is often regarded as fatal to the true sporting spirit. But for that very reason it becomes morally innocuous. In the United States a professional boxer may be a good Christian; but if a good Christian fights for fun and not for profit and takes pleasure in the prize-ring, it may endanger his chance of a better world. Whereas only one generation ago all Sunday games were forbidden, and doubters were annihilated by the question whether Christ would have attended a game of baseball on Sunday, a complete revolution has now taken place. Football games are national institutions, colleges and universities live by the glory shed on them by their often quasi-professional teams.²

The manifest blessing which Providence seemed to have

¹ *Recent Social Trends*, p. 1012.

² *Ibid.*, pp. 954, 957.

bestowed on the American people in opening up for them ever new and ever expanding possibilities of life in the West, in the land of Canaan, has made the belief in predestinate damnation almost a psychological impossibility. They could not imagine a God Who had given so generously to His faithful children on this earth, and yet had damned them to all eternity without act or knowledge of theirs. It would have seemed black treachery to the simple optimism of the frontiersman. He has settled down at last. For him, the Argonaut's voyage across the continent has come to an end. He is no longer a wayfaring pilgrim who has no abiding city here on earth. Now at last he is able to strike root in the land. Has God shown him this favour, that he should still roam the world, a restless wanderer, terrified of his soul's eternal damnation?

The Middle West has become a land of generous comfort, although the Puritan attitude is still dominant in its villages and plains. Natural beauty, growing prosperity and the intermingling of races have produced a genial warmth in which the soul finds nothing of the chilling fog which was necessary to the fanatic. Uncle Sam, the symbol of the Yankeedom of New England, is a lean and stringy fellow: George Babbitt, on the other hand, the son of the Middle West, has much more likeness to a vulgar sort of Benjamin Franklin, who was indeed born in New England, but was early transplanted into wealthy Pennsylvania, where he developed into the first "civilized American."

In this Middle West was born "organized brightness," whose outward expression is the Rotary Movement. Men meet once a week at a knife-and-fork breakfast, and bring with them as guests Rotarians from other towns. Every member has a nickname, which is shown on a rosette worn in his buttonhole. He who fails to address the others by their nicknames—they are all of course on the most intimate terms—must pay a forfeit. They mingle pleasure with business, and sing sentimental songs out of a kind of college song-book. In the days of Prohibition it was not always easy for people

of their standing to procure "the stuff"; but they joined with melancholy gusto in the beautiful old English song:

"Drink to me only with thine eyes,
And I will pledge with mine:
Or leave a kiss within the cup
And I'll not ask for wine."

The unconquerable urge towards companionship and communicativeness, and the formation of a society of like-minded people, has always been a chief feature of the American Churches and institutions; in spite of the stiff individualism of New England Americans have always loved a kind of quasi-communistic gregariousness. It has changed its form, but its essential nature has remained; though it is a long way from John Brown to George Babbitt.

The American woman has contributed the strongest ferment to the process of spiritual secularization which is transforming the United States. On the one hand, the women have greatly accelerated the Europeanization and secularization of American society by making their regular trips to Europe the aim and purport of their lives. The fundamental point of view of the majority of such women does not perhaps differ very greatly from that of their sisters in the Middle West, who most obstinately support the stern traditional ideas of the past, in the interests of their children and of family life in general. They do not see beyond the pleasant exterior of their European experiences; they merely long for a brighter tone in the colours of life; they do not think of the convulsions which result from flooding American life with "uncitizenlike" conceptions, thoughts and habits, which the husband's most intimate business connection with Europe would never have brought to America.

The American woman is generally regarded in Europe as a being specially favoured by fortune. She has better prospects of marriage than most of her European sisters: there are 102·7 white men in the States to every 100 white women.

And although out of 47·7 million girls and women over the age of 10 years 10·7 millions (22·5 per cent.) are earning their own living, the married American woman is not obliged to earn money for her share of the expenses of the household so frequently as the European. She is so far privileged above her European sisters today that there are practically no professions closed to her: in her training for and admission to lucrative posts she can compete on equal terms with her male contemporaries. There are plenty of "business women" in the States, some of them holding important positions. It is quite natural for women to found Churches and to do duty as ministers in a land where the sexes are equal, where many Churches dispense with ordained priests, and where new religions are freely established. In the United States the old canon: "Women must hold their tongues in church" is no longer enforced. They speak, and sometimes very loudly; witness Mrs. Eddy's Christian Science, the most successful ecclesiastical foundation of modern times, and Aimée McPherson's functioning in the Temple in Los Angeles. These female founders of religions may not endow their new creeds with conceptions greatly differing from those which a male prophet would have given them, but they give them a form which is more elastic and less sharply defined. Christian Science has invented articles of belief which for all practical purposes have liberated believers from the danger or the fear of Hell. According to its teaching illness and sin are merely errors, false conceptions which are cured by faith. God is goodness: its conception of Him is like that of a little child—He is always ready to do something for His family, if they only believe in His kindness. He is no longer the stern God of the old Puritans, with Whom one must plead with obstinate wrestling, and Who lays down the hardest possible conditions before He will grant one's desires. The God of Christian Science lets men converse with Him—He makes them glad and happy. In purely external matters Christian Science has changed the colour of American life. Everywhere their pretentious churches have infused fresh life into the

forms of American architecture. A clever American observer has expressed the opinion that Christian Science and the Chicago Exhibition of 1893 were the two forces which opened the eyes of the American public to beauty in architecture. Christian Science has created in its churches the style of Puritan Baroque, thus expressing from the religious standpoint the same mood which the enormous growth of wealth has made possible in business life. It may be formulated in the words: "Have a good time." The Church is no longer a reformatory where the natural instincts are disciplined by prison rules, but a psychological clinic in which inhibitions are removed and Freudian complexes resolved.

It may be that in this case a clever woman has merely reshaped the trains of thought which were already in the air. But woman, as the founder of religions, and as priestess, almost automatically shatters the ideas of a personal God which are held by the masses. In the Puritan world this personal God wears the features of a stern masculine judge. But sex equality raises the question whether the Divine image must necessarily be a masculine one. An affirmative answer will give an ascendancy to man which woman is no longer willing to tolerate: a negative may be taken in two ways; it must produce insecurity and uncertainty. And so it calls for the conception of an impersonal God, a notion which not only runs counter to the whole tradition of Puritan thought, but is not yet acceptable to the general public. With the disappearance of the personal conception, those personal ties would be destroyed which are the only guarantees of upright conduct.

Puritanism has never lacked opponents on the purely intellectual side. Amongst the great names of America, Benjamin Franklin and Thomas Jefferson opposed it 150 years ago. The wave of Deism which spread from Europe at the end of the eighteenth century helped to break the power of the New England theocracy, and set up in Unitarianism a really liberal Church, of which a modern American philosophy has been the outcome. Even amongst the general public, irreligious

agnostic ideas have not been uncommon. It was not quite without justification that the Churches looked upon Abraham Lincoln as an "unbeliever."

In consequence of the huge practical task set before the nation, and the pragmatic attitude which it has been wont to assume, the great intellectual upheavals which have shaken Europe have taken a very secondary place in the United States. However sure of his object and certain of his aim the American may be in business affairs, he is none the less timid in the sphere of thought. The religious controversies which once engrossed the spiritual life of New England have long come to an end. Spiritual and material influences of the most varied kinds have softened the asperities of doctrine. Those who did not agree with the particular nuance of one free Church were at liberty to join another. The establishment or continuance of a settled doctrinal authority was made impossible by the ever-recurring formation of new sects. This has introduced an element of insecurity into American life. But as one could break free from an existing Church by the simple act of leaving it, since the Church had no power of excommunication and the State no power of compulsion, a change of faith did not imply rebellion. Since there was no authority one could not rebel against it. The outward pressure which produces resistance was lacking. Moreover, profound meditation did not appeal to the mass of Anglo-Americans. They were too busy to think out problems for the sake of pure knowledge. Life demanded action. They looked to religion and philosophy to justify action, and so to simplify conduct.

The old universities had long since discarded the theological formulas which until recently made the English universities to all appearances foundation-schools and seminaries for priests, but in spite of the beginnings of German influence they were institutions for teaching, and not for research. There was no intellectual revolution affecting the masses. Only a few isolated groups in the "Ethical Movement" wrestled through to a conception of an impersonal God. The influential classes of

the nation have never had much use for intellectual values which cannot be applied. The practical American business man still regards abstract matters as superfluous. He leaves them to women.

It was the American woman who transformed the pioneer into a civilized being. In the first place, many of the pioneer women sprang from the educated classes of the East and carried the seeds of culture with them into the wilderness. Then many of them exerted a great influence upon the public schools. The notion that knowledge (useful knowledge) was power was early current amongst the Americans. They founded schools everywhere. The leading classes of New England appreciated culture and were conscious of the needs of a civilized community. To the enthusiastic democracy which presently revolted against them knowledge did not mean a profound recognition of cause and effect, but an acquaintance with existing facts and their practical utility. Knowledge was information. This knowledge had originally been in the hands of an upper-class, who had used it to strengthen their authority. If one wished to be their equal one must compel them to share this knowledge. In religious matters God might be relied upon to reveal Himself in democratic fashion, even to the unlearned: in practical matters one was obliged to work hard for the necessary knowledge; one had to "learn." The mass of the pioneers were by no means originally tormented by a thirst for knowledge. But it was sought after by those who came from New England, especially by their womenfolk. So the new States very soon introduced a system of public schools, whose aims were broad if not high. In a new country the men had more important things to do than to teach children the alphabet; so the burden of instruction naturally fell upon the women. As Prussia under Frederick the Great, acting in accordance with its system of social values, left the spread of rudimentary education to retired sergeants, so New England entrusted it to the "school-marm." Not only the old maids of Boston devoted themselves to education; in the West

teaching soon became a career for young girls, from which they quickly entered the haven of marriage. Many of the most influential women of America have begun their lives as school-teachers. Thus it is quite natural that the mental outlook imparted at school should be permeated by strongly feminine notions—at times one might even call them old-maidish notions—hailing originally from Boston. Like its universities, the schools of New England were originally sectarian schools. After the regular schools had been entirely taken over by the State, and outwardly secularized, Sunday-school teaching remained in the hands of women of more or less social influence.

During the great westward migration women carried a burden of hardship and toil, of duties and responsibilities, such as no other women on earth have endured; but with the increasing stability of outward conditions and the growth of affluence their life has become much easier. Yet even now, when the prairie schooner is relegated to the museum, and the people are permanently settled, an appalling burden of work falls upon the married woman of the middle-classes. She is generally not in a position to keep efficient servants, as there is no menial class available. Equalitarian fanaticism is so strong that it kicks against the dependence involved in domestic service; and where the latter is offered it insists on such equal rights as make housekeeping not only costly, but inefficient and disturbing. The simplest expression of this equality is the refusal of American domestic house-employees—they are known as “helps”—to brush clothes or clean the shoes. This must be done either by the family themselves or outside the house. Only the negroes of the older generation are really pleasant and efficient servants. For this reason servants, in the European sense of the word, are to be found only in the wealthy houses, which keep, and are able to pay, English, Japanese or Italian butlers, French chambermaids or Austrian cooks.

The cheapening of modern household machines, the electric

cooker with an adjustable clock, the washing and drying machines and other appliances, have for the first time freed the middle-class American woman from the dilemma in which she had either to depend upon unreliable help—or do all the work herself—or else make the family forgo all domestic comfort. A perceptible alleviation is in progress. Women, relieved up to a certain point of the responsibility of house and children, are turning to cultural things. In all the small towns women are the mainstay of intellectual life. They read books, occupy themselves with art and literature and organize clubs where they hear and give lectures. Thence they try to bring their idealism to bear upon the practical world—an idealism which is at times not only fanatical but anaemic. In Women's Societies and organized Women's Clubs a passionate interest prevails, not only in every form of modern culture, but also in social questions and foreign politics. Women form a considerable proportion of those who take part in the country's great institutions for the study of foreign affairs, and as reporters of current events they pass on what they have thus learned to the schools, and to select circles of the most varied kinds. They are known, in consequence of these activities, as "Current Event Women."

It cannot be said that in the intellectual sphere the women lead and the men follow. We find not so much a reversal of the natural order as a complete separation. The male and female spheres are quite distinct. As in Mohammedan houses the men's quarters, the selamlık, and the haremlık, the women's apartments, are completely separated from each other, so it is in American life. The man is devoted to business, the woman to culture. The male and female spheres seldom overlap. Very often the husband tolerates the wife's activities, and seems to admire them, provided that she is satisfied with speaking—he calls it "uplift"—and does not meddle in really important business matters. His job is to make money; hers is to spend it. The influence wielded by women as a separate group is much greater than in Europe; but, on the other hand,

individual women seem to exercise less personal influence over the leading men.¹ But in those spheres where outstanding women have been able to carry the mass of their inarticulate sisters along with them, and to enlist masculine interest as well, their intervention has been of great weight; for example, in the victory of Prohibition.

In a certain sense the women have become by vocation the exponents of intellectual and cultural claims. They give to these their particular bias. The groups of men with whom they are in particularly close touch—ministers, professors, artists and authors—consist of people whom the American business man looks upon with a certain contempt. For he is secretly convinced that men who take up the profession of teaching do so only because they are incapable of doing practical work. To the American public the shining lights of intellectual life are just “teachers” who have fundamentally little to distinguish them from the ordinary teachers in the National Schools. During the last few years this attitude has been somewhat modified. Since the number of business men who have themselves enjoyed a university education has greatly increased, a college education is no longer despised. On the other hand, that glorious sentence from one of the most entertaining of American novels, written by a former professor, still holds good: “Professors is cheap.”²

A good many political issues have been decided by women's activities; they have nearly always been more or less primitive mass movements. It is true that women did not originate the Prohibition movement: but it found in them its most passionate adherents. They did not frequent bars themselves, and needs which we do not feel ourselves seem as a rule unworthy of satisfaction; temptations which make no appeal to us seem doubly repulsive. At one time women fought a losing battle against tobacco-smoking: certain cities and States

¹ There are very conspicuous exceptions. I need only name Jane Addams or the wives of several Presidents.

² *The Professor and the Petticoat*, by Alvin Johnson.

indeed forbade the sale of cigarettes, because the health of the growing youth was endangered by smoking them: but they had no further success. Where they succeeded the movement had to appeal to the farmers and the lower middle-class townspeople. The really important influence of the American woman has been due to the fact that in a world governed by business considerations she has been the advance-guard of ideas originating in entirely different spheres. As the instructor of her own menfolk and her friends of her own sex she has produced a revolutionary effect, even when she may only have repeated the thoughts of other people whom she only half understood.

5. DISSOLUTION

Since theological studies in the United States have suffered the impact of the scientific labours of Europe, a school of Higher Criticism has been at work. This might in itself have been sufficient to undermine the basic conceptions of American religious life. For if the source from which, through illumination or personal revelation, the individual has quenched his thirst for religious truth no longer flows clear and untroubled, the spiritual health of the thirsty will be endangered. But Biblical criticism, being of an intrinsically unemotional nature, has failed to produce any effect upon the masses, whose religious life is emotional. Puritanism could tolerate it so long as it had little influence upon its adherents. Not until Darwinism became popularized did doubt become intellectually accessible to the masses. It completely changed the aspect of the world.¹ For many people acceptance of the theory of evolution meant not only the collapse of the orderly rigid theory of the universe, but also of the most important sanctions of daily life. A people who know no authority in religious matters outside Holy Writ in its traditional wording is secure in its faith only so long as it can rely on every word and letter in the Scriptures. A first element of insecurity had been introduced into the people's life

¹ *Recent Social Trends*, p. 441.

when each could claim for himself the right of expounding the true meaning of these words, by the light of revelation and inward knowledge. But when doubts arose as to the authenticity of the Bible as a whole, when the individual could decide arbitrarily and scientifically which passages are genuine and therefore valuable, and which may be omitted because they are a later interpolation, then personal caprice becomes the criterion for the authenticity of God's Word. The American Churches as a whole were content to accept the individual judgment of the various founders of their sects, who were divinely inspired: many of them were obliged to reject the cold-blooded arbitrariness of scientific research.

The American university has naturally been unable to keep the teaching of evolution out of its class-rooms. The democratic structure which it has gradually acquired attracts young people of both sexes from all parts of the country. The majority of them receive a general all-round education, and not a professional training.

In many ways young America has shown a surpassing lack of respect for custom and tradition. For this the parents themselves are largely responsible. The old New Englanders were often stern fathers of families. They exacted respect. The new heads of families are conscious of the great difference in culture which divides the two generations. Many of them have as yet no real belief in education: but if the sons of rich men are educated, of course their own sons and daughters have a right to education. So the elder generation are prepared to bow their shoulders, that the young may stand upon them and climb with ease. Youth accepts what is given it without gratitude, as a matter of course, and has at best a good-natured contemptuous tolerance for the antiquated notions of the old. These young men and women are ambitious, they have a clear-cut aim in life, for they are convinced that their duty is to get out of the position in life which their elders have occupied. As sport and pleasure, and sometimes cramming for exams, take up a great deal of their time, they do not trouble very much about abstract

intellectual matters, yet they learn a great deal and take easily to facts. The picture of the world which they have pieced together from what they have learned does not in the least agree with the religious tradition which was instilled into them at home. No profound knowledge of biology need be acquired before one begins to doubt the story of the Creation. The fact that "Pa" and "Ma" and the neighbours still firmly believe in everything that is found in the Bible, while the minister preaches it on Sunday, and his wife repeats it in Sunday-school, is often for the young an incentive to unbelief. The Churches take great pains to retain them. In the Y.M.C.A. and the Y.W.C.A., which possess handsome premises in every considerable town, they accomplish very useful social work. But they cannot do away with the fact that these young brains, which are completely devoid of illusion, and face facts in an unembarrassed, dispassionate spirit, form an image of life totally different from that which has hitherto been presented to them by their elders. Democratic fanaticism has necessarily led to the spread of these views. Subjects which are treated in the universities are bound to be taken up in the upper schools, though necessarily in a simplified form. In most of the universities there are, however, forms which are not much more advanced than the highest form of a good high-school. The line separating schoolboys and schoolgirls from students, and the line dividing school-teachers and university professors, are often blurred. Subjects reserved for research at the university are taken up by the high-schools, who sometimes love to teach undigested, undigestible facts. They are set before millions who have never attended a college through correspondence-courses, although the chief activities of these institutions are devoted to practical branches of learning. They are communicated in the countless clubs of the country, on whom crowds of lecturers are let loose all the year round, and, above all, in the newspapers and the magazines, who convey them to the educated, and would-be educated, in all parts of the country. This explains the powerful effect produced by

Darwin's theory of evolution; the democratic educational system of America made it accessible, in a simplified form, within a comparatively short space of time, to large classes of the population. "And it was Darwin, the gentle, the kindly, the humane, who could not bear the sight of blood, who raged against the cruelty of vivisection and slavery, who detested suffering in man or animal; it was Darwin who at least typified the rigorous logic that wrecked the universe for me and for millions of others."¹ When serious observers of American life speak thus from the depths of their soul, the editor of the *American Baptist* of Memphis cannot be blamed when he writes: "The teaching of evolution has contributed more to the disintegration and downfall of organized government than any other agency."² Anyone can easily understand the passion with which the adherents of the old order attacked the champions of the theory of evolution, who had robbed them of Hell and Heaven. The "Monkey Trial" of Tennessee was not the first wave of a flood of obscurantism which was threatening to submerge America. It was an outward and visible sign that the Fundamentalists who reject all Bible criticism and all rationalist interpretations had at last realized the peril in which they stood, and were appealing to the strong arm of the State. Since, in their opinion, the theory of evolution discredits the Biblical theory of the Creation, and lays the foundations of an all-destructive materialism, they demanded that its dissemination should be forbidden in the State schools.³

It seems quite natural that the adherents of the old faith in the various Churches should insist that no jot or tittle in the

¹ Gamaliel Bradford, "Darwin the Destroyer," *Harper's Magazine*, September 1926, p. 407.

² *The American Mercury*, November 1926, p. 300.

³ The so-called "Monkey Trial" of Tennessee lasted from the 10th to the 21st of July 1925. The accused was John T. Scopes, teacher of Natural Science at the Rhea High School, Dayton, Tennessee. He was said to have broken the State law which forbids the teaching of the theory of Evolution in State schools. He was condemned to pay a fine of 100 dollars. The Court of Appeal, however, reversed the judgment.

Bible must be tampered with. Bryan's statement that he believed every word in the Bible is not, as intellectual snobs have supposed, a proof of America's backwardness in intellectual matters, but rather a sign of the intellectual ferment which is striking terror to simple minds.

The result of these different evolutionary tendencies has been the eclipse of Hell. Until lately the chief weapon with which the Puritan world could in the last resort ward off any attack was Hell, that great spiritual sanction upon which it could always fall back. In a society organized on a strongly utilitarian basis the moral laws can be easily enforced so long as their final sanction, the punishment of immorality, can always be applied. This sanction is, so to speak, a double-barrelled one. Every transgression of the moral law is either dangerous or unhealthy in the present world, or, what is a weightier consideration, in the world to come. Thus Hell, regarded as a living instrument, becomes life's governing principle. He who holds the keys of Hell can control the lives of men. As soon as Hell, as the final sanction, is eliminated, there remains only the utilitarian consideration that the individual transgressing the laws of life is in danger either socially or bodily: as a living creature or as a citizen. The decisive event in the spiritual life of America in the last twenty years has been the eclipse of Hell. Sect after sect has broken away from its narrow original Puritan doctrine, expanding the range of the permissible in order to allay its fears of sin and Hell. The influence of the vast Methodist movement has brushed away the rule of the Calvinist doctrine of arbitrary damnation and arbitrary grace in almost all the Churches.

Outward material developments have led to a more and more optimistic mental attitude. Both doctrine and life have become less narrow. The founders of the Mormon sect found an easy way to make the gratification of lust devoid of sin, by assuming that polygamy was forced upon them by divine revelation.¹

¹ According to Mormon teaching, Heaven is peopled with spirits about to be born, who are seeking a human body for their incarnation.

Hell itself remained. But a change in the conditions of entry has taken place: Christian Science has transformed sin into sickness and sickness into the want of faith, while secular science has turned upside down the whole structure of religious systems.

As befits the practical American attitude, the change shows itself not so much in the emptying of the churches, nor even in an exodus from any particular religious body. For a long time there has been a growing laxity in all of them. Dogma has become more and more of a side-issue. The conventional forms of Church life are still observed, in so far as they have not been altered on account of the rivalry of other sects, which acts as a constant incentive to new technical methods. The conception of practical life, and of the way in which it should be lived, has radically changed.

It is not only a question of the outward joy of life, which is everywhere breaking through with elementary force. It has always been present in Catholic countries, yet faith and works have not been imperilled by it. It shows itself above all in the dissolution of marriage, and in a new conception of sexual relationships, which presents the sharpest contrast to the Puritan way of life.

The American woman has long ago discarded the least notion of "And he shall be thy lord." She has forced her way into every profession. Since the passing of the Nineteenth Amendment she has attained complete legal equality. To-day she is in many respects economically independent, and requires no masculine support. She has altered the marriage code, so that she can easily loosen the bond and win her freedom again. She has so brought her influence to bear on the social side of life that the habits and customs of society, which were originally meant to safeguard the rights of the male, have been completely

Polygamy is necessary to provide sufficient accommodation for these spirits. Only thus can the chosen people of the Mormons increase in sufficient numbers. It is the Divine purpose that the chosen people should be fruitful and multiply. Therefore polygamy does not serve fleshly lust, but the will of God. He who doubts it is damned. (M. R. Werner, *Brigham Young*, pp. 286-7).

revised, so as to serve the rights of the woman. In the eyes of the majority of American women man frequently figures as a libertine who is a mere slave to his desires, and exploits women with the help of the law. In self-defence, women have created a force of public opinion whose tyranny sometimes crushes those who are quite innocent. They have purified the world, according to the standard of a morality which has never known temptation. They have suppressed brothels, extirpated drunkenness and vindicated the ideal of a sexually pure life. Sexual freedom, which is considered the prerogative of men in most other countries, has been restricted under the pressure of this American feminism.

The American woman is man's equal; she has the same rights and duties. The older generation of women tried to establish equality by the suppression of masculine prerogatives: it did not succeed in stifling the sex-instinct. The younger generation acknowledges its influence: it does away with prerogatives by itself laying claim to them. The freeborn American woman is justified in doing, and leaving undone, what she will. She has grown up together with her male contemporaries. She knows that many of them have not kept within the limits prescribed by the Puritan ideal of monogamy. What is right for one is fair for the other. She can do what she likes with her own body. She does it. There is no sense in the ideas of continence and chastity which she learnt in her parents' house. The one is harmful—see Freud—and there is no point in the other. It is of practical importance only in a world which secures to the man a sort of right of pre-emption over the woman. If it is possible to satisfy the healthy natural instincts of mankind without producing injurious consequences, the individual has the right to do and to leave undone what he likes: he is answerable to no one but his own conscience. Thus Puritan individualism, which is based inwardly upon one's duty to one's own soul, revolts against its own practical morality. Exercising individual responsibility to the full, it demands the right to satisfy the natural instincts. There is no need to fear

unpleasant consequences. Even if the study of biology is not yet sufficiently advanced to enable its students to discover the origin of life, it has at least taught them how to prevent its undesired development. It is not as though a mighty storm of desire had broken over young America; it is in the grip of no *grande passion*. The sanctions which have hitherto held men's instincts in check have been overthrown. No flood has come down from the mountains and burst the dams: but the sluices have been thrown open which regulate the height of the water-gauge.¹

So long as the bearing and rearing of children cannot be accomplished by mechanical means, woman will always have a heavier burden to carry than man. The new generation rebels against this injustice. The birth statistics, especially in the long-settled areas, are steadily declining. This is not mere accident: rather the American woman is deliberately setting herself against the Biblical command: "Be fruitful and multiply." The increase of the human race is a divine command. The Puritan conception of marriage was bound to be in accordance with it. The erotic sting had to be extracted from the conjugation of sexual intercourse: it must take place only under restraint of the instinctive desires, with as great a check as possible upon the experience of pleasure. Hence the relations between the sexes were put under severe restrictions, which provided an excellent training for the control of the emotions, and led to the warping, though not to the eradication, of the natural instincts. The physical love-life was not abolished: but an attempt was made to live it soberly, and with a definite object in view. This self-control, proved by many generations, has developed in the past certain features of the character of the American woman. In the present it has led to the deliberate practice of birth-control in ever-widening circles of the population.²

¹ Judge Ben B. Lindsey and Wainwright Evans, *The Revolt of Modern Youth*. Honoré Willson Morrow, "You and I Have Failed," in *Hearst's International*, November 1926, p. 33. *Recent Social Trends*, p. 441.

² *Middletown*, p. 121.

This rationalization and rationing of sexual and emotional life is not only the logical penetration into life's most instinctive sphere of the principle of the deliberate ordering of life; it is also the only possible way of ensuring the true equality of women. Without the right of deliberate birth-control, woman will remain a slave, even though she enjoy complete legal freedom. For though she be of the same value as man, she is not of the same kind: Nature may be prodigal of life to prevent race suicide—that danger which man has invented—and the health of the mother may be destroyed in producing many daughters who, when their turn comes, will be sacrificed likewise. It is humanity's task to economize man-power, not in economic life alone. It must see to it also that the living generation shall not owe its existence to the death of its mothers, and be sacrificed in its turn to the life of its daughters.

Thus the equality of women has done more than anything else to shatter the Puritan conceptions. The taboos of the old order terrify no longer. The outside world is no longer looked upon as Sin, whose contact is alluring but brings damnation. The treacherous God has been dethroned Who promised men joy of every kind only that He might lead them into temptation and then damn them. Pleasure is permitted. Youth will drink it to the dregs, so far as there is no danger connected with it. It has learned that restrictions upon the will to live are often fraught with serious injury to the organism: nowhere in the world is there so much talk of Freudian complexes as in America. Therefore these restrictions must be done away with, yet their disappearance must not result in other serious injuries. Pleasure which is no longer penalized because it leads to Hell is to be recommended only if it is healthy. Instinctive pleasure must be enjoyed under conditions which scientific knowledge has proved and found feasible. There is lamentation among the champions of the old order. But there is little that they can do. They advise the young to return to the path of traditional virtue, for otherwise the race might suffer. These young

egoistically-minded individualists, who are in the first stage of their new-won freedom, are being urged to keep within the old bounds, and to consider the good of an unborn generation, at the very moment when they are exerting themselves to prevent its being born.

CHAPTER VII

ACHIEVEMENTS AND IDEALS

I. ECONOMIC FAILURE?

"No Congress of the United States ever assembled, on surveying the state of the Union, has met with a more pleasing prospect than that which appears at the present time. . . . The requirements of existence have passed beyond the standard of necessity into the region of luxury. Enlarging production is consumed by an increasing demand at home and an expanding commerce abroad. The country can regard the present with satisfaction and anticipate the future with optimism."

Thus spoke Calvin Coolidge in his valedictory message to Congress on December 4, 1928. And in August of the same year, when accepting the nomination of the Republican party, Mr. Hoover declared: "We in America today are nearer to the final triumph over poverty than ever before in the history of any land. The poor-house is vanishing from us. We have not yet reached the goal, but given a chance to go forward with the policy of the last eight years, and we shall soon, with the help of God, be in sight of the day when poverty will be banished from this nation. There is no guarantee against poverty equal to a job for every man. That is the primary purpose of the economic policy we advocate."

When these brave words were spoken, the "great depression" was well under way. With a few short interruptions price inflation had been going on since the outbreak of the War. It was first caused by the shortage of goods in Europe and the great demand for American commodities. It gathered speed when the United States entered the War and financed it by Government-loan inflation. It started again after a brief interval of deflation, followed by an era of pseudo-stabilization which was to be made permanent by a cheap money policy. For during

a period of rapid technical and organizational progress price-stability can be maintained only if the decline in cost of production due to these agencies is counterbalanced by artificially-cheapened money.

A huge expansion of physical production followed, accompanied, if not outrun, by spectacular rises in value. The War had driven up the output of steel ingots from 25 million tons (1910) to 33 million tons at its close, but in the year 1929 54 million tons were produced. The value of building and engineering contracts amounted to 1.7 milliard dollars in 1915 and to 10.4 milliard dollars in 1929; starting from 100 (1913) the percentage increase was 111 (1915) and 280 (1929). The index value of twenty-five leading industrial shares rose from 67 in 1910 to 138 in 1919 and to 469 in 1929. The nation's income was supposed to have risen from 31.4 milliard dollars in 1910 to 68.3 milliard dollars in 1919 and to 85.2 milliard dollars in 1929.¹

The main cause of that wonderful outburst of economic activity was "credit." From 1914 to 1929 it expanded from 21 to 58 milliard dollars.² Prices did not rise correspondingly, for the huge progress made had reduced the costs of production. In some branches, especially in agriculture, prices were on the downgrade most of the time, as new, cheap farming methods had been introduced. But borrowing went on all the time. The farmers' total debt burden of 12.224 milliard dollars (1929) remained nearly stationary, but the value of the farms on which it was based was shrinking rapidly; it weighed more heavily on them than the 13.383 milliard dollars had done in the boom year 1922. Other business enterprises went on using credit merrily. The debt of private persons (not farmers) grew from 17 milliard dollars to 25 milliard dollars, that of corporations, other than transportation and electricity companies, from 11 billion dollars to 25 billion dollars—apart from the unfunded debt which, for electricity and other companies combined, had

¹ Arnold Guyot Dana, *Postscript (1933) to Prosperity*, pp. 466-7, 480.

² For details, M. J. Bonn, *Prosperity*, pp. 17 ff.

risen from 27 to 41 milliard dollars. They had indeed something to show for this money: giant plants capable of producing at a very low cost ever-increasing quantities of goods; marvellous organization, making business an accurate science; highly-salaried workers, oozing contentment. But the structure was safe only if plants could work to full capacity and if customers could be found to buy the goods and if credit could be supplied to provide customers' income.

A more or less artificial "cheap money policy" helped to maintain prices at a more or less artificial level. Without the support from an artificially-stimulated consumption, prices would have fallen, owing to the great technical advance which had cut costs of production. As it was, credit overflowed from the main channels of production into those of consumption, by means of a gargantuan stock-exchange speculation. Moderate incomes were swelled by profit-taking from stock-exchange operations; between 1925 and 1929 speculative and capital increases in the national income were estimated at nearly 25 milliard dollars for the entire country.¹ Instalment payment, sound as long as it keeps within the bounds of assured income, became highly speculative when based on artificially-inflated profits from stock-exchange gambling. Real-estate values, especially in the towns and on the various rivieras, rose to fantastic figures; they were consequences and causes of a building boom, for with rising prices for building sites skyscrapers—towering heavenwards—had to be erected in order to get adequate rents from a sufficient number of tenants. Building contracts for residential buildings rose from not quite 1 billion dollars in bad money (1919) to 2.7 billions good money in 1925.² At home consumers were financed by loans and stock-exchange speculation, abroad by international lending. Credit coupled with technical rationalization was the sorcerer's wand which was transforming the world, sometimes even against its will. For cases were by no means rare where concerns unwilling to saddle themselves with financial obligations were

¹ Arnold Guyot Dana, *Postscript*, p. 472.

² *Ibid.*, p. 467.

almost forced into borrowing money. By the end of 1929 the nation's total interest-bearing debt, including Government and municipal obligations, exceeded 154 milliard dollars: 40 milliard more than in the earlier boom year, 1922. Interest charges were about 9 milliard dollars.¹

The end came, as it always does. At some given moment when values have been inflated beyond the possibility of ever yielding an adequate profit, an additional supply of credit is not forthcoming. Inflation comes to a standstill; new purchasers for inflated values cannot be found, and prices collapse with fantastic rapidity. Discontinuance of inflation, not deflation proper, is the initial cause of the crisis. The bubble bursts, not because it is compressed but because it cannot expand any longer. And after the explosion comes the terrible aftermath of exhausted prosperity, bankruptcy, glut of the markets, and unemployment.

For a long time the people of the United States did not want to believe that there was more than a temporary stoppage in the onward movement of prosperity. They still put their faith in sunshine campaigns and the certainty of mastering the crisis if they could but keep smiling. They did not want to give up high wages; they tried hard to maintain them unchanged, notwithstanding the growth of unemployment, though real wages had risen considerably owing to the fall of prices. Nor were they ready to sacrifice values; they went on borrowing wherever they could, instead of writing off the losses. Three times abortive intervention was undertaken, and with it an enormous additional misapplication of credit. In the summer of 1930, when a Congressional election was impending, the slump on the stock exchange was supposed to be at an end. Numerous buyers invested huge fortunes at price-levels which could not be maintained. At the same time 500 millions of hard dollars were locked up by the Farm Board in cotton and in wheat with the object of keeping prices above the level of the world market, an effort which finally proved abortive. For

¹ Arnold Guyot Dana, *Postscript*, p. 480.

it merely stimulated over-production. And last but not least the Reconstruction Finance Corporation pumped 2½ milliard dollars of credit into banks and other concerns, trying to mobilize claims many of which could not be mobilized, for the simple reason that the money was lost.

All the time the level of prices fell, until in February 1933 it reached 59·8 (against 100 in 1926). The index of business activity which had been 101·1 in 1928 shrank to 58·0 in 1932. Foreign trade dwindled fantastically from 9·2 billion dollars in 1928 to 2·9 billion dollars in 1932. On the stock exchange the bond index fell from 98·58 in 1928 to 74·86 in 1932 and the share index from 149·9 to 48·4. Unemployment rose until very nearly 12 million men stood in the streets, left to municipal and private charity. For insurance against unemployment had been considered un-American by the ruling political and economic powers. The index of wage-payments fell from 110·6 May 1929 to 30·3 March 1933. Public finance went to pieces completely. The deficits of the Federal Treasury came to very nearly 4 billion dollars in the years 1930 to 1932. Municipal finance was worse. Large cities and many smaller municipalities were nearly or completely bankrupt. The transport system was financially smashed. The total revenue of the railroads, which had been 6·2 milliard dollars in 1928, fell to 5·3 in 1930 and 3·2 in 1932. Of the 25,000 country banks 6,000 had gone by 1932, and many more are bound to follow. Foreclosures on farms would have been so numerous that many mortgage and insurance companies did not dare to resort to them for fear of an agrarian revolution. Lenders on real estate in cities fared scarcely better; building came to a standstill; skyscrapers could not be finished and the finished ones could not be rented. Rents are supposed to have fallen from 5·8 milliard dollars a year to about 4 milliard dollars.¹ There has been an economic earthquake such as never shook any land.

And the shocks never seem to cease. The country has survived the various attempts of premature intervention. It has

¹ Arnold Guyot Dana, *Postscript*, p. 484.

finally settled down to grim reductions. It has cut wages, dispensed with luxuries, and written down values mercilessly. It has weathered the storm raised by the devaluation of the sterling exchanges. It has passed through an election in which, curiously enough, and rather characteristically for the innate conservatism of the American people, only about 900,000 votes have been cast for the Socialist candidate. It has survived a banking crisis which was the result of premature efforts to mobilize frozen (in many cases worthless) credits. And just when it seemed to recover under the guidance of a new, strong and wise executive, it was plunged into a huge panic, and a terrible revolt of desperate debtors drove the dollar off gold.

It almost looks as if the great American experiment had failed. The system of private economic initiative, which until now has been considered the American system, is shaking. The rugged individualism of America may have been strong enough to prevent unemployment relief by Government agencies; it preferred the terrible plundering of the public purse by the war veteran bonus legislation. It was not strong enough to prevent doubts being loudly voiced as to the soundness of the system. The captains of industry, the business men who had been considered the leaders of the nation, have fallen from the pinnacles to which they had been raised. When President Hoover entered the White House he was credited with miraculous powers of sound business administration. His political failure was considered the failure of a system. And even the glory of Calvin Coolidge, that shrewd plain man who represented the shrewd common sense of the plain New England people, has begun to fade. Even if he were alive today, his trusted voice steadily announcing soothing commonplaces could no longer stem the tide of dissatisfaction with capitalism. The glamour is going from a system which cannot provide a livelihood for the mass of the people.

The American is a born social reformer. He loves theorizing in a simplified emotional way, not so much with the object of

finding an abstract truth as of "getting results." If the capitalist system of private enterprise does not give these results, quickly and amply, it must be scrapped. American public opinion has been horrified at many of the evil deeds of Bolshevism. Churches, organized labour, "big business" have all combined in a fairly successful anti-Bolshevik campaign. It has been so successful that up to now the United States have not acknowledged the Russian Government. But some of the main features of the Bolshevik world are by no means antagonistic to fundamental American notions. Complete economic democracy, as expressed in standardized consumption, has been the guiding idea of American mass production. And notwithstanding its uncontrolled individualism, the American mind is a group-mind, easily amenable to Communistic sentiments. After all, the life of the early New England township was based on a communal conception. And the majority of the many religious denominations which have risen in the United States have striven after that spirit of brotherhood which was one of the main roots of early Christianity and which is claimed by Bolshevism. There is a curious antithesis in the American mind between the almost anarchistic search for God, flowing from the egocentric and egotistical desire of the individual to be saved in his own fashion, and the easy combination of those yearning individual souls held together in religious groups by more or less mystical bonds of a common belief. There are some analogies between American revivalism, Bolshevik fanaticism and the emotional Socialism of the German Nazis.

The triumph of American technique and the pride of the engineer in his achievements are somewhat related to the childish vainglory of the Bolshevik régime when advertising the construction of the biggest water-power plant or the erection of the greatest steel mill or the building of the largest cities in the desert. America need not brag any longer of the technical miracles she has performed. But her engineers sympathize with the striving of Russia to follow in her footsteps, and to subject Nature to the will of man by harnessing horse-

power and by driving turbines. She is still a young country, not yet deadened by tradition, and she looks upon Russia, which is ever so much younger, with an understanding denied to stale-minded Europeans. Moreover, the American engineer feels a kind of envy for what happens in Russia. At home he has been compelled to adapt his plans to considerations of financial expediency. In Russia a kind of Technocrat rules supreme, untrammelled by regard for the balance-sheet. The engineer has been let loose; he need not consider immediate profits. And he has to produce an industrial output for a much under-industrialized country, where the highest capacity of any plant erected is still unable to saturate the most elementary wants, Russia is to him the perfect paradise, especially if he is amongst the unemployed in the United States.

There is an even deeper affinity. Both countries are young and both nations believe in purposive social organization. Americans have always striven for a man-made as opposed to a time-grown society. They have assumed so far that the best way to produce such a society was to rely on the free play of individual forces. The great bourgeois experiment which America has tried by following this principle seems to have failed completely at the present time. Business men may be depressed and profess an unwonted humility. Cranks and reformers are not discouraged. If the free play of individual economic forces is unable to produce the desired results, resort must be made to another system. For some time centralized planning by a kind of industrial board was popular. When people are disgusted with the meagre results of the free play of individual economic forces, they are apt to forget the share such planning has had in the present crisis. For after all, the cheap money policy of the Federal Reserve Board was centralized planning, and so was the protectionist tariff, the aim of which was the regulation of the flow of production by centralized intervention in the structure of prices. Wrong planning far more than the absence of planning is responsible for the present crisis. It is more than doubtful whether economic

groups can ever be trusted with intelligent central planning. As long as centralized planning is subject to lobbying and log-rolling by well-organized interested bodies, its results must be meagre. The opportunities offered to them by central planning are so great that its adoption would bring about a golden age for lobbyists and log-rollers.

Again, the engineers have registered their claims as saviours of mankind, provided they are put in full control, and if purely technical conceptions are allowed to rule the world. The Technocrats are quite right in some of their major pre-suppositions. Modern technique can indeed do wonders. The world has passed from the age of scarcity to an age of plenty, which it has not yet learned to organize. The real problem is not any longer the invention and the rapid application of labour-saving machinery, but its wise adaptation to an existing social order, composed of living men and women whose powers of quick social assimilation are rather limited. The problem is no longer the problem of organizing work, but the question of how to organize and how to distribute leisure. For after all, unemployment is nothing but compulsory leisure unevenly enforced on large groups who can neither afford it economically nor are yet capable, in many cases, of its wise personal use.

It is possible that the modern business civilization which seemed to have come to perfection in the American world, and enjoyed a rather hectic bloom in the years 1922 to 1928, will be unable to solve the problems successfully. It is possible that something new and yet unheard of may have to be evolved; it is neither necessary nor probable. The economic and social forces in the United States are strong enough to bring about any solution they really desire. There is no reason to assume that they will make for collectivism, nor that they will insist on a state of complete *laissez faire, laissez aller*, such as was supposed to have existed within their frontiers during their heroic youth.

Price raising by cheapening money artificially and by financing public works by means of Government credits is a well-known capitalist method for engineering prosperity

booms. It appeals to the money-making instincts of the American people. And they have nobly responded to its latest application by a gamble on the Stock Exchange and a boom on some commodity markets. The introduction and justification of minimum wages as the best means for raising purchasing power sufficiently high to create an effective demand for an artificially inflated output looks very much like a revival of the high-wage theories *en vogue* during the last boom. A nationwide prosperity drive evokes memories of past sunshine campaigns, with the addition of legal and moral coercion. Freeing farmers from debts, helping shareholders to dividends and workers to wages is not Communism, even when these bourgeois ideals are sought after by Government intervention. The National Industrial Recovery Act is not even State Socialism, though there is a confiscatory element in indiscriminate collectivist debt reduction by means of currency-mongering. It is another experiment in social engineering, which may have far-reaching social structural consequences if it goes on for a long time.

In a time of universal stress Governments are bound to interfere. The more the crisis is due to Government intervention in the past—tariff-making or cheap money policy—the more likely are renewed interventions. Few Governments are strong enough to remain inactive, even when they realize the wisdom of inaction and the folly of intervention. And when they have to face an angry crowd of debtors who have mortgaged their livelihood during a spell of prosperity, they are inclined to follow the siren songs of the money-wizards who promise to wipe out debts and stabilize prices by wisely-dosed inflation. They may indulge in currency depreciation and dabble in that muddle-headed confiscatory Socialism which is at the bottom of all inflation plans. They may try “social engineering” by means of money policy. They may shake the foundations of capitalist society by tampering with contracts and by invalidating solemn agreements. They may succeed in some directions, but they are more likely to fail in others. But

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ultimately the crisis will pass. And with its passing the fundamental forces which made the United States will set to work again to mend the havoc played by prosperity, the child of inflation, and inflation the mother of false prosperity. Methods may be changed over and over again, but the final social goal will stand.

2. POLITICAL FAILURE?

In the political sphere democracy has not been a complete success. The presence of a large negro population has remained a stumbling-block, which so far neither egalitarian fanaticism nor tricky opportunism has been able to remove. The grant of full citizenship to immigrants from countries with little self-government has enabled the political machine to organize national groups, the delivery of whose votes at the behest of their leaders can be relied upon. Though the corruption of American municipal life and of State politics was not inaugurated by the influx of aliens, their concentration in big cities and their clan-like docility have strengthened the power of the "boss" and made cleaning up more difficult than it might otherwise have been. The antagonism between the masses who wield the voting power and the classes who hold the power of wealth may have been softened by the venality of the masses and the greed of their leaders. A plutocracy has arisen which is in the habit of coming to terms with democracy. Business has gone into politics by supporting political groups directly and openly, or by letting them fleece the public by all sorts of "rackets." Vice versa, politics have gone into business by offering franchises and legislation to rapacious economic group interests.

America has put up a good fight to make democracy safe by devising new checks on the encroachments of what it has called the money power, but in many instances it has failed. It has failed not so much on account of the growing accumulation of wealth in comparatively few hands, but much more on account

of a change of outlook. After the era of bitter theological controversy had passed, for some time politics played a decisive part in the life of the ordinary American citizen. The growth of economic opportunities, the chances of becoming rich and independent in a few years, and the instability of social units in an age of mass migrations, have distracted the American mind from a genuine interest in politics. Politics have become a professional game, and not a very highly-rated one. Congressmen, the elected of the people, are no longer much esteemed, and even senators have lost standing. The captain of industry—or the film star?—and not the statesman has become the ideal of the nation. Before the crisis Henry Ford and Rudolf Valentino began to take the place in the imagination of the youthful American mind formerly held by Abraham Lincoln or Theodore Roosevelt.

The rigid Constitution, admirably conceived for maintaining an equilibrium between its component parts, has proved a cumbersome obstacle to the institutional legislation demanded by a new social age. Congressional government carried on by two parties, both of which are but loose confederations of antagonistic regional and economic groups, seemed incapable of enacting quick, fair and intelligent emergency measures. The demand for a temporary dictator running the country in the interest of the country, first voiced by Colonel E. M. House,¹ is in process of being satisfied by President Franklin Roosevelt, whom Congress has invested with discretionary powers in many fields. Such a delegation need not be called a breakdown: constitutions after all are made to fit normal needs in normal times. They have always been stretched and re-interpreted in a time of stress. If they are elastic enough to permit emergency measures during a crisis, from which an automatic return to normal methods is possible when normal conditions return, they have stood the test. A world-wide economic crisis due in the first instance to the shocks of the world war, is quite as much an emergency as the war which caused it.

¹ *Philip Dru, Administrator*, New York, 1912

The "dictator" who is fighting it is not an usurper who grasped power by a *coup d'état* and looks upon the defeated part of the nation as his personal enemies. He has received his mandate from the people by an orderly process of election. They and their representatives have deliberately entrusted him with special powers and have freed him from trammels which hinder quick action in normal times. They have done so for a limited period, holding him responsible for all his actions and omissions.

The danger inherent in the present American situation is not arbitrary autocratic action due to the sudden impulse of an irresponsible despot, but hasty unwise action at the behest of an insurgent democracy.

More disquieting than these developments, which a period of comparative economic stability would quickly set right, has been the growth of an organized spirit of lawlessness. Some of its manifestations, such as the resurrection of the Ku-Klux-Klan, were parts of the aftermath of war; they corresponded as such to similar movements in other countries. Some important strata of society with a restricted moral and intellectual outlook are inclined to apply force, which they have been taught to regard as an efficient remedy, whenever their imagined moral or economic superiority appears to be threatened by groups and movements whose inner strength they cannot quite successfully visualize. Far worse has been the frequent resort to physical force and terrorism in the organized lawlessness which followed in the wake of Prohibition and which put gangsters and kings of the Underworld in control of municipalities and sometimes of States. Rapacious monopoly, far greedier than were the Trusts in the heyday of their power, far better organized and far more ruthlessly enforced, has levied tribute on the inhabitants of the big cities. Rival beer lords fought each other with armed gangs for the profits of monopoly; they terrified the people, tampered with the police and even succeeded in controlling judges. Crime was made profitable and free of risk. And sometimes not only rival gangsters but

peaceful citizens were callously shot down. Armed force became a recognized method of doing business, kidnapping was resorted to for regular money-making purposes, hostages being taken in the approved manner of medieval brigands, improved by modern American efficiency. Even the Labour movement resorted anew to physical force, after it had seemed to have discarded it from its struggle against the employers. The "racket" was introduced in many lines of business. Employers had to buy protection from armed gangs, or else their workers, willing to stick to their jobs, would be "slugged" and beaten. Or Trade Unions might be broken up if their leaders did not come to terms with the racketeers, who taxed their members for the privilege of following their legitimate trade.

Corruption combined with armed terrorism controlled some of the big cities, exhausted their finances, and made life sometimes unbearable to their citizens. For a long time American democracy offered but a weak resistance. Its members were engaged in the quest of the golden gods of prosperity. Moreover, Prohibition seemed such a wonderful moral achievement that isolated crime might not be considered too high a price for driving the poison of alcohol from men's souls and bodies. The saloon had been closed, vice had been driven underground. If it sallied forth from speak-easies in big cities and poured a stream of bullets into people interfering with its profits, this was surely a mere passing phase.

3. SPIRITUAL FAILURE?

The last great Puritan experiment of forcibly educating the American nation into a democracy of absolutely egalitarian wants has failed. Prohibition in its most provocative form has gone: light drink is available to the masses without bribery and corruption. Will lawlessness stop, when one of the causes which made it alluring and profitable has ceased to operate?

It will take a long time before the attraction that violent self-help has had for the American people pales completely. The War has rekindled the flame; prosperity in some directions

has fanned it. Will depression extinguish it? Depression may lead to revolt when it is breeding despair, but it may teach humility and patience to a spoilt people, who have overrated the capacity of man to control events. The defeat of Prohibition may be the prelude to that twilight of Puritanism which is descending on the American scene.

The stupendous educational effort of Puritanism is spent. It has achieved a great deal, but it has not succeeded in subjecting the natural instincts of men and women to a rigid discipline. The wilderness has been tamed, the forests cleared, the desert made to bloom; the rivers have been dammed and the flanks of the mountains have been pierced. A highly artificial society has been imposed on Nature by the control of man. But man himself is breaking the bonds into which his ancestors put him, when they wished to subject his natural instincts to safe control. Whilst destroying Nature in the outer world, they appeal to it to free their innermost self. Political and economic freedom may, for the time being at least, be on the wane. Spiritual freedom, it seems, is being achieved. But just as there was a cloud throwing its shadow on prosperity and on democracy, so there are shadows darkening the new freedom. Men and women have got rid of the old taboos; they are allowed to be the sole judges of their actions. They are free to enjoy life, and many of them drink in its newly-accessible promises in deep draughts. There are many pleasures, but there is little joy. The old creed had chilled the soul; the new faith does not yet warm the heart. In the eager faces of the noisy and merry crowd faint traces of melancholy are visible, suggestions of that same sadness which lurks in the eyes and round the mouths of the men and women who lived in the Pre-Raphaelite days of the Renaissance. It could not be otherwise. Prosperity came with a rush; the turn was too sudden. There was not time enough to adapt one's mind to the conditions of a quickly-changing world.

Depression has called a halt to the mad dance round the golden calf. There is a searching of hearts and a recasting of

spiritual values. After all life, the art of living on the North American continent, is only beginning.

4. THE SIGNIFICANCE OF THE AMERICAN WORLD

The evolution of the United States and their inhabitants has been regarded as the logical development of a nation which has shown a natural fitness for the creation of economic values. A continent has fallen to their share which is unusually rich in natural resources. They have employed their great gifts and ruthless energy in gaining control of these resources and making them their own, and have thus laid the foundations for such a development of wealth as the world has never yet seen. This wealth has been used for the satisfaction of material needs, but not exclusively of the upper-classes. It has benefited all classes of the population, though with clearly-marked gradations. This participation in the material good things of the world tempted the whole people, with some few exceptions, which have steadily grown less important, to give themselves up to a mad pursuit of the satisfaction of more or less vulgar needs. The Almighty Dollar and the best way of spending it have been the aim and object of American life. Since the intense eagerness for clearly-defined rational and material purposes has broken down the barriers set up by an ascetic religion against the satisfaction of desire, enjoying pleasure by means of immediate consumption has come to occupy the foreground, where formerly the accumulation of capital was the main object. A civilization has arisen whose essential feature is the satisfaction of more or less material needs by means of machines as perfect, as easy to work, and as labour-saving as science can make them.

Such a way of thinking is based upon the tacit assumption that other countries, so far as they are unaffected by American influences, rather despise economic resources and economic efforts. It proceeds upon the further assumption, likewise unspoken, that the expansion of economic activities and a

deliberate preoccupation with economic success must destroy the soil in which a nation's true civilization can be made to flower.

Both assumptions are only partially correct. One need not accept as true the materialistic interpretation of history, but one must admit that the broad masses in almost every country have to spend most of their strength during all their active life in a never-ceasing endeavour to win a sufficient income for themselves and for those dependent on their efforts. None of the nations which have fallen under the spell of Western civilization has ever granted the masses of its citizens freedom from economic ties and liberation from the entanglements of this world, with its physical, material joys and griefs. The ideal of a civilization in which the best powers of the people are not devoted either to economic production or to the greedy consumption of goods has been reached, so far as it has been reached at all, in a society based on private property and on a plentiful supply of goods. The opponents of what might be called "social Americanism" are as a rule infected by the prejudices of the economically or socially privileged classes. Without doubt it was property and the ownership of wealth which made possible the intellectual, spiritual and artistic activities of these classes. The preoccupation with money-making, if directed narrowly and exclusively to making profits, may destroy, if only for a time, the feeling for any higher form of culture. It is conceivable too that the pursuit of pleasure into which the pursuit of money is frequently transformed in the second generation has often assumed the most grossly material forms. The "Peacock Alleys" of the American cities, as the lobbies of the resplendent hotels for the *nouveaux riches* have been called, have seen many a procession of the devotees of Mammon intent on ludicrous ends. But the ownership of property, which offers the peaceful certainty of continued satisfaction in place of feverish acquisition and equally feverish enjoyment, has never yet been a menace to civilization. In the course of one or two generations the ravenous profiteers of

every age have been converted into wealthy patricians or respectable "gentlemen." America is so far an exception, since she has no old aristocracy to serve as model to her *parvenus*, and as the imitation of sometimes not too happily chosen European examples does not always produce the most strikingly fortunate results. But in many respects the United States need fear no comparison with European models. Here the patronage of art flourishes on a very large scale. The owners of galleries not only pay high prices; some of them are great connoisseurs, and a few are even passionate lovers of art. Whether we consider the university foundations, or the endowments of galleries, hospitals, theatres, concert-halls or libraries—everywhere we find an open-handed expenditure of wealth which frequently has no taint of self-seeking. And if personal inclinations, pride of purse, and vanity play their part in this expenditure, these are certainly not exclusively American. It has been no unusual thing for English business men or German manufacturers to return to the public some part of the wealth extracted from it. These gifts or endowments have often been much more modest than those which pour from the purses of American benefactors, and it would be difficult to prove that they spring from more praiseworthy motives. For the benefactors were often rewarded by a peerage or by a highly resounding title or a glittering decoration. The American philanthropist has to do without such outward acknowledgments of his princely generosity. Is it really a proof of more vulgar materialism when an American millionaire founds a university with all its appurtenances, endows it with millions, and gives it his name, than when a German industrialist makes enquiries at universities and technical schools until he finds which will grant him an honorary doctorate for the smallest possible outlay, or when an English manufacturer contributes to a party fund and is made a peer?

In the United States the way to modest prosperity and modest enjoyment has been thrown open to millions of human beings. It could scarcely be expected that America, in the

course of one generation, should turn these millions, many of whose forefathers had lived for centuries in Europe in a state of semi-barbarism, into high-minded philosophers. The attempt to elevate them quickly cannot be altogether successful. It is possible externally to Americanize the inhabitants of the many American ghettos in a comparatively short space of time, and to educate them in the course of one generation to appreciate the cinema, the wireless, and the comic supplements of the Sunday newspapers. It is not possible to effect their wholesale transformation into philosophers and thinkers. But neither is such a thing possible in Western Europe. The French villages, the English manufacturing towns, the small provincial cities of Germany are of course poorer than similar places in the United States. It is not desirable that their inhabitants should make the attempt to adopt the American ways of life: it is never possible to transplant the forms of a civilization without changing it considerably. But lack of wealth is not a proof of intellectual and social superiority. The fact that there is one motor-car to every 4·6 people in the United States as against one to 33 in England, 25 in France and 94 in Germany is no sign of the cultural superiority of the United States. But neither does it prove the contrary. A nation does not become a people of poets and thinkers because it has not the means to raise its standard of life according to the latest scientific improvements. The unworldly doctrine of certain Churches assumes that poverty as such is a refining influence; it may be equally untrue of wealth as such. But the proof is not yet to hand that a state of permanent prosperity is a restraint upon culture. It has been proved neither for the classes nor for the masses, since there has never yet been a condition of permanent and universal prosperity. For the time being the many dark shadows hovering over American civilization may fairly be ascribed to the necessity of hard work in pursuit of prosperity, but not to freedom in the enjoyment of prosperity.

So long as the masses of a nation have not yet experienced some degree of economic saturation one can arrive at no clear

conclusion as to the effect of this saturation upon the general level of civilization. It goes without saying that the process of mass-saturation, in its early stages, brings a great amount of vulgarity in its train. This is doubtless not peculiar to America. The German bourgeois, who is sometimes embellished and glorified in literature as the kindly *Biedermeier*, and sometimes scorned as the downright Philistine, is, after all, first cousin to the typical American Rotarian "George Babbitt." And he has near relations in England and France.

White America is today composed almost exclusively of people of European origin. Neither the worst nor the weakest came over from Europe. Every national group which took part in its formation included a considerable proportion of idealists. Most of them were practical idealists, who were not afraid to play for high stakes in the pursuit of their ideals; not dreamers remote from life, dilly-dallying with ideas, who, as life does not need them, and as they cannot influence it, think themselves too good for workaday tasks, and yearn in their hectic imaginations for a Superman who will set the world comfortably to rights for them. Must we really believe that, in all these fragments of European nations, contact with the American soil has completely extinguished every desire and every aspiration for the eternal things of life, and left nothing but the striving for profit?

Even if this question could be answered in the affirmative, one argument would always remain in favour of the American attitude. It is a superhuman task to set up and organize the economic mechanism of a nation so that no one suffers hunger and want, and so that every member of the nation has an increasing share in the pleasures of life: so that individuals are nowhere kept in a state of perpetual dependence by economic poverty, and so that the nation is not split into two warring classes by division into the Haves and the Have-nots. It matters less whether America has reached this goal than whether the will of the American people is consciously directed towards it, and whether a certain probability exists that it may ultimately

be reached. Nobody can deny the presence of such earnest effort or the movement towards the goal. One may call both the goal and the effort materialistic, and the advocates of an ascetic view of life who themselves practise asceticism and do not merely demand it from others may have the right to criticize. But they can scarcely be met with in modern business life.

Those who are watching with interest, respect and goodwill the great semi-Asiatic experiment of the Bolsheviks to bring economic happiness to the world ought to meet the striving of social Americanism in the same spirit. In both cases the ultimate object is the same—the creation of an economic organization which shall enable all men to take a full share in the cultural wealth of life. In economic matters Bolshevism is obsessed by that egalitarian fanaticism which in the Puritan world of thought expressed itself in anxiety for the soul's salvation. To its thinking material economics is the foundation upon which minds and movements are built up. One may, if one will, invert the historic process of American growth, and represent the vast economic evolution as a function of the moral forces of Puritanism.

But this has nothing to do with the immediate practical consequences. The real issue is, whether the equal shares which Bolshevism aims at procuring for everyone approach more or less approximately the smallest shares which American social capitalism is able to offer to those who stand lowest in the social scale. It will scarcely be disputed that the total social product which can be placed at the disposal of the same number of people is very much greater under the American system than under the Bolshevik. The point at issue is whether it is not better that all should receive an equally small share than that some should be allowed larger shares of varying size, even though the smallest shares under the American system are greater than the average share under the Bolshevik. So long as the hope exists that the average share under the Bolshevik system may increase more rapidly than the minimum share

under the American, no decision can be reached. At present, however, there is no ground for believing that this is the case.

Those who ascribe ideal tendencies to the Bolshevik movement, with its deliberate harping on economic materialism, because it has seized upon the hearts and souls of men, and tries to compel them to build up a new world on the plan conceived by their leaders, ought not to refuse a like sympathetic recognition to America. It is also easy to understand that a movement whose aims are finally fixed, although, in spite of its ruthless energy, it is still very far from their attainment, should seem less commonplace and therefore more inspiring than a deliberate social policy which is organizing every day's surging life on clearly discernible principles.

The real meaning of the American world, which is emerging behind its outward economic success, is as follows: Up to the present time the life of mankind has been regulated by fear. The Churches have explained this necessity by the innate wickedness of human nature, resulting from the Fall. It can be held in check only by coercion. Coercion is practicable only when the threat of its employment obviates the necessity of the continued application of spiritual or physical force. Fear of an angry God, and of the pains of Hell which He is sure to inflict, will induce men to keep the moral law, and to destroy or hold in check their natural instincts, which are the embodiment of evil because they are natural. Fear of an arbitrary ruler, to whom all power has been entrusted by God, will hold men together as a political unit: since without coercion, or the fear of coercion, they would fall asunder into hostile groups. Fear of hunger and poverty, threatening those who have no possessions, will drive them to ceaseless assiduous work. A comparatively low wage will prevent them from taking a sufficient share in the pleasures of life, and compel them, if they would lay by for a rainy day, to lead the most niggardly and self-denying existence, and to accumulate little by little the pettiest savings. If this poverty and this fear for the morrow are abolished, on the one hand the intensity of work will be

relaxed, and on the other hand a wasteful expenditure on pleasure will begin, which must end in hunger and poverty. Obedience to God's command "Be fruitful and multiply" has created the unrelaxing pressure with which these twin spectres never cease to terrify mankind and to spur them on continually to ever-renewed effort.

The significance of the American development is the removal of this threefold fear. A community must be created which will no longer be held together by fear, but by common endeavour: a world must be born from which fear and pain will be banished.

Democracy is not always wise; it is not always fair; it is sometimes tyrannical and often hysterical. But in spite of its many failures it has broken the spell which kept the governed in subjection to their governors. The conditions in American prisons may cry to Heaven: the persecution of supposed Bolsheviks may bring a blush to the cheek of the liberal American. The ways of the gangsters and the corruption of municipalities may shock the law-abiding citizen. But these are survivals of an age when fear was the main political motive and force the main political remedy. There may be corruption in political life today: there are no longer slaves.

The development of modern capitalism has so increased production that the working-class can no longer be held in slavish subjection to the employer. There are still need and poverty in abundance; but modern methods will succeed in abolishing them if such be the will of the community. A beginning has been made. The fluctuations of the economic cycle have not yet been regulated, and there is as yet no possibility of eliminating economic crises and unemployment. But economic productiveness has become great enough to prevent the burdens from falling exclusively upon the wage-earners. The fear which not only compelled the poor man to work, but frightened him away from consumption, can be eliminated. By mechanical means, and by the help of a capitalism greedy for profit, America has sought to give her people the same economic prosperity for which Communism is

striving through the destruction of the capitalist order. While the Russians have put down the mighty from their seats, America is aiming at the elimination of economic fear by exalting the meek and lowly.

Further, she has sought to banish fear from the hearts of men by substituting for an angry God a kindly Father, Who has given reason to man, that by insight into God-given forces he may fashion a clean and abundant life for himself and his fellow-men. Man must no longer suppress his instincts: he must let them function intelligently.

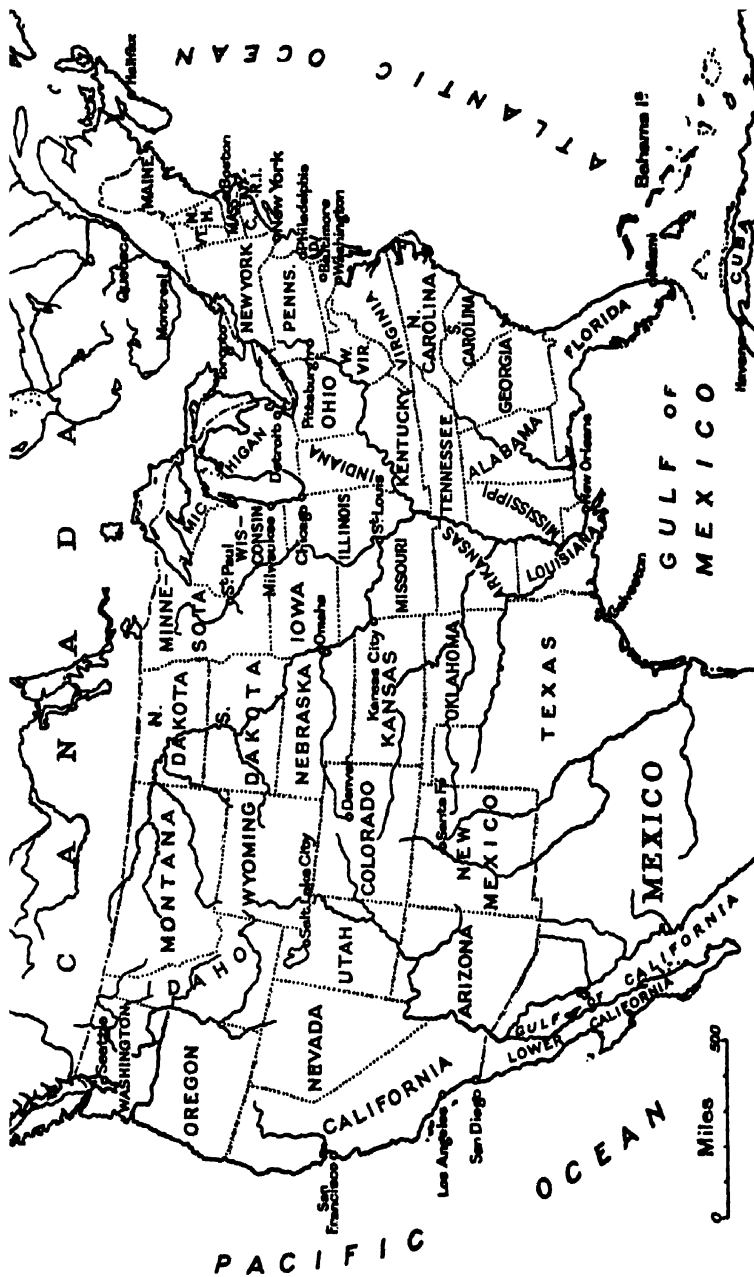
The taboos which were set up in honour of a wrathful God have been overthrown. Man must now develop the seeds of perfection which God has planted within him. No longer are men compelled to people the earth with living beings born without thought or purpose, because a sexual instinct has been implanted within them, whose effects the Churches forbid them to limit. They must not stunt the life of their senses, but order it so deliberately that within the possibilities of development offered by the material world the marriage of men and women of equal worth will procreate a generation physically and mentally on the up-grade.¹ The eugenic movement is stripped of its racial character and diverted into the paths of individualism. Racial improvement does not imply the right of certain groups of men to increase numerically, by virtue of their actual or supposed biological superiority, at the expense of their less happily endowed brothers and sisters. Mankind must not be subjected to the rules of the stock breeder. Rather should the individual couples who come together in the new marriage, actuated by a high sense of responsibility, have the right to regulate the number of their offspring in accordance with their possibilities of development, disregarding the outworn doctrines of the Church. Society as a whole will not suffer if a few perfect men take the place of the many failures which have hitherto been produced by the social order. And so the

¹ Margaret Sanger, *The Pivot of Civilization*. Ben B. Lindsay, *The Revolt of Modern Youth*. Wilfred Lay, *A Plea for Monogamy*.

pressure will be lifted which has lain upon the working-class as a whole, causing them, often enough, to set their faces against technical progress, because this progress was successful at their expense. The anxieties of economic life will be eliminated, and with them the struggle of the superfluous and the unfit, whose competition lowers the standard of living for the fit.

Thus the regulation of the growth of the nation by regarding it from the standpoint of the individual life of the free man and the free woman, who join body and soul for life without compulsion, and not from the romantic racial standpoint, is becoming the corner-stone of the social teaching of New America "at the turning-point of civilization." A society of free men shall be founded, freed from fear and pain, in which political fear will be banished by democracy, economic subjection by superabundant production, and anxiety about one's soul by faith in a merciful God. When this has been achieved the shadows of sickness and death alone will fall upon the life of mankind. Sickness can be lessened by the art of the physician and by better social conditions. Death will remain the end and the cardinal point of life. Living fast and furiously, one may forget it; one may shut it out; but there it is, and there it will certainly remain; it cannot be eliminated. It is possible, however, to dispel the fear of death, whether it be the fear of actual dying or the fear of annihilation. Men must learn to face it as an inevitable fate. Why should not they who have never been tortured in their lives, and who expect no punishment beyond the grave, act at all times with the dignified serenity which has hitherto been the prerogative of the sages? When merciful science and the humane administration of the law will guarantee euthanasia to all, the easy end which was formerly the lot of the elect alone: when a good life, lived without fear, ends in a death without dread—will not the foundations of a society have been laid whose face will bear other features than those of the old world of Europe?

This is the real significance of the American World, whose hazy outlines, in spite of many distortions, are beginning to shimmer through in the picture of American life.





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